

Rover □ Trotsky □ Equal Value □ Economy

Socialist Appeal

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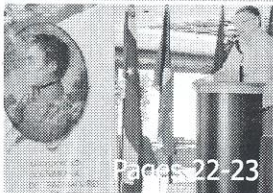
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Only Labour Can Defeat Blair

AS WE GO to press the 2005 general election campaign is entering its final week. By the time you read this it will all be over. It is worth contrasting the level of disinterest in this uninspiring campaign with the enthusiasm which surrounded the recall referendum in Venezuela. That was based on the fact that ordinary working people believed that their votes made a difference, that they were defending a government that was acting in their interests and helping to defeat reaction. There was no such inspiration here.

Barring unforeseen accidents Labour will have won an historic third term, but there will be no rejoicing in the streets. Election results cannot be predicted with any certainty, of course. Only one thing is sure, a third period of Labour government - if that is indeed what results from the May 5 poll - will be fundamentally different to the period since 1997.

Meanwhile the Tories will presumably be looking for a new leader. It seems we weren't thinking what they were thinking after all. Their heavy emphasis on attacking asylum seekers and immigration (reminiscent of Nye Bevan's observation that "the Tories, in every election, must have a bogeyman. If you haven't got a programme, a bogeyman will do") may have rescued a few votes from UKIP, the BNP, Kilroy et al, but too many people remember the disaster of the Thatcher/Major years to let the Tories back in.

No doubt the biggest vote will have been the abstentions. Despite all the predictable Blairite nonsense about 'voter contentment' and a mandate to

continue their 'reforms', the collapse not only of illusions but even of trust in Blair and co as a result of Iraq, alongside the prospect of yet more privatisation in health, education etc, and the continuing attack on public sector jobs and pensions is the real explanation for low turnouts at the polls.

Assuming the large numbers not voting do not let the Tories creep in then Blair's third period will mean a thoroughly discredited and distrusted government reelected because the alternative is even worse. If Blair, Brown and co think they can just settle down to another four or five years in office resting on a growing economy, continuing to attack our democratic rights whilst allowing the freeloaders and moneygrabbers to scavenge for profits from the rotting carcass of our public services they will have another thing coming.

New Militancy not New Labour

Blair may well have won the election, but Blairism is dead. The pipedream of converting Labour into a version of the US Democratic Party, which seduced many of the sectarian groups, as well as the Labour leaders, has evaporated. The triumph of Blairism was a consequence of defeat and demoralisation in the labour movement, leading to a period of inactivity. The right of the movement always rest on such periods. However, that period is over. Blairism reflects yesterday, not today and tomorrow.

The Labour leader says he will stay on for a full third term. That is not likely. As Oscar Wilde put it, "some cause happiness

wherever they go; others, whenever they go." Yet to replace Blair with Brown would be only the most minor cosmetic change. The labour movement must set its sights much higher than this.

Simmering discontent in the workplaces is preparing new industrial explosions. We have already seen renewed militancy in the last two years or so. As we have always explained this process does not proceed in a simple straight line but through all kinds of ebbs and flows. With 100,000 civil servants' jobs under the axe and the CBI predicting that 22,000 more manufacturing jobs will go by June, the conditions are being created for big defensive battles by workers under attack. Rather than face massive strike action, Blair and co postponed their assault on public sector pensions - a policy which amounted to telling a million workers that the government would delay scrapping their pensions until after the workers had voted for them. If they plough ahead with that attack then massive strike action is what they will face.

Then there is the economy. The current boom based on debt and the consumer spending it fuelled was always unsustainable. The housing bubble has lasted longer than we initially thought, but burst it will and consumer spending with it.

Blair and Brown continue to delude themselves that they have abolished the boom slump cycle. They will face a rude awakening. At the root of a new economic crisis will be the same old insoluble crisis of overproduction and overcapacity to produce. The boom has

been based on a cruel combination of stress and strain at work for millions; a service sector based on illegal practices and the virtual slavery of migrant workers; credit and consumer spending; the continued destruction of public services and the disintegration of the country's infrastructure; and, despite all the rhetoric about tackling poverty, a massive growth in inequality.

The yawning chasm between wealth and poverty, and its impact on health and education, represents a sharpening of the class division of society, dispelling the myths that we have all become middle class, homeowners etc. Conditions determine consciousness and the changing conditions of the working class are at the core of the class polarisation of society which will be a fundamental feature of the next period.

That means developments to the right and the left. There will be a growth of reaction, of various right wing groups which cannot be ignored. The Tory Party will move further to the right. However the fundamental feature will not be this but the movement of the working class, and the shift to the left in the workers' organisations, in the trade unions and, at a certain stage, the Labour Party too.

There is only one force that can defeat Blair - the trade unions and the party rank and file. It is not in the polling booth but inside the labour movement that Blair and co must be defeated. What is needed now is a militant trade union defence of jobs and pensions combined with a struggle against the Blairites inside Labour. □

STUC 2005: A Tame Election Rally

by Elmer Whitefeather

THE STUC Congress in Dundee was largely a tame affair. A heavyweight line-up of New Labour MSP's and politicians addressed delegates. Too much time was wasted in what seemed to be an electoral rally.

Scottish Secretary of State, Alistair Darling MP, used his address, like all the others, to warn of the disasters looming if Britain was to elect a Tory government. He spoke of the successes of the Labour government which had delivered "the longest period of economic growth for 200 years, the minimum wage, low inflation, low unemployment and improved maternity and paternity rights.

As usual it was left to delegates and trade unionists to raise the real matters affecting workers and their conditions. During Jack McConnell's (First Minister of the Scottish Parliament) speech, a delegation of the Tayside Fire Brigades Union (FBU) walked out with one female control room worker shouting; "What about fire controllers' jobs?" Socialist Appeal spoke to the Fire workers outside and they were angry with the current stand of New Labour politicians.

McConnell's speech was peppered with clichés, soundbites and statements like "Tourism is up 20% in the last decade". Remember, he said, "It was Howard who introduced the poll tax to Scotland". He failed to mention that as leader of Stirling Council at the time, he did nothing to resist the poll tax, nor did he contribute to its demise. And this is only one of the 6 New Labour politicians that came to lecture about the need to vote Labour, not a single word of the need for socialist policies, or why New Labour is so discredited.

Hugh Gaffney called on Congress to pressure the government to protect vulnerable people, he raised the point that Post Offices are being closed (5 in his area, North Lanarkshire) affecting pensioners, disabled people and single parents. There are also some introducing charges for using the Automatic Teller Machines (ATM). This is part of the plans of the government to attack the weakest in society.

Pat Devine, Chair of the Scottish Labour Party, must have wished he had stayed in bed on Tuesday. Regurgitating the speeches of McConnell and Darling and "talking Scotland up, not talking Scotland down", Devine was followed by

RMT General Secretary, Bob Crow, who savaged him. Crow was moving a motion on behalf of the RMT calling for the re-nationalisation of the railways. "Pat Devine's speech was an insult to the working class members and delegates at this conference", said Crow, "to praise PFI/PPP and present the profiteers who run our services as necessary for good quality services is disgraceful." Crow called for the re-nationalisation of the railways without compensation. "Richard Branson has received £578 million in subsidies from the public purse. The private operators now receive 3 times the funding that the railways received when it was nationalised". Crow said that it had been Labour Party while in opposition to re-nationalise the railways, but after 8 years they have not made a move to do so. The motion was seconded by Gordon Martin, RMT member and delegate from North Lanarkshire Trades Council, of which he is Chair.

Imperialist Bullying

On the Wednesday, Gordon Martin moved a motion for the complete withdrawal of British troops from Iraq, condemning the slaughter of hundreds of thousands of innocent Iraqi men, women and children and the imperialist policies of both Blair and Bush. "Blair and Bush are war criminals" said Martin, "This congress has already discussed bullying and yet Blair and Bush bully the entire world with impunity." When he condemned Margaret Curran MSP's "pathetic and patronising speech", the minister stormed off the platform. "Margaret Curran's speech does not reflect the world I live in and know," said Martin. This was clearly a highlight of the congress. "Blair and Bush have bombed Afghanistan back to the stone age, and the military and economic sanctions and interference in Cuba and Venezuela must stop. Imperialism is indeed, the highest stage of capitalism. This neo-conservative agenda must be stopped. Comrades, I ask you to think, when you joined the Labour Party as 16 or 18 year olds, did you join it to embrace these policies?" That motion was seconded by Tommy Walsh of Clydebank Trades Council who said Iran was now being targeted and North Korea and Syria

were on the list. Congress passed that motion unanimously!

In the International Section Mohammed Filtouchurs, of the Palestine General Federation of Trade Unions spoke to Congress. In a moving speech he told of the terrible conditions faced by the working class in Palestine. He went on to explain how the wall was built using western money and ruled illegal in the international court, "but the world looks the other way". Mohammed urged support for the "NO WALL CAMPAIGN" supported by the T&G.

Socialist Appeal supporters were given a daily bulletin highlighting the most important motions and the lessons of the day. The bulletin was well received and a good dozen journals were sold to delegates. We also held a readers meeting where we discussed what had to be done in order to implement the left motions passed at the congress. □

3200 Retail Jobs Axed

THE COLLAPSE of Rover demonstrates the dire state of British industry. One million manufacturing jobs have been destroyed since 1997. Now the retail sector is starting to feel the pinch too as interest rate rises hit consumer spending.

Up to 3,200 Littlewoods staff will lose their jobs after the retail group announced the partial sale of its Index chain of catalogue stores to Argos and the closure of the rest.

Only 800 of a 4,000-strong Index workforce will transfer to their larger rival after Argos agreed to buy half of the 66 standalone stores in a £44m deal. Littlewoods, owned by the Barclay brothers, will close the remaining 33 outlets along with 93 Index concessions in its department stores.

The economy cannot survive on services alone. Sooner or later all this spending has to be paid for and we will be presented with the bill. □

TESCO

The *Independent* cover of April 13th said it all - Tesco; The supermarket that ate Britain. They made pre tax profits of £2.03 billion, that is £231,361 an hour. From sale of books, mobile phone contracts, personal finance, car insurance, and don't forget shopping, they take in one out of every eight pounds spent in Britain.

But how did Tesco manage to acquire this great wealth? Like all the other chains they rely on driving down costs. Their business strategy closely follows their corporate slogan every little helps.

When you sell one in four bananas in the UK if you can shave a penny or two per kilo off your suppliers price that is big money. The suppliers can then pass the loss down to their own workers. When you employ over quarter of a million people in Britain alone, squeezing down the wages means a big hike in profit.

On the same day as the profits were announced there was a small report tucked away in the middle pages of the *Metro* newspaper. The article was talking about women who work in South Africa on a Tesco-accredited pear plantation. They work long hours doing hard jobs. The crops are sprayed with harmful pesticides as they work but they are not given protective clothing. One woman was quoted as earning £32.50 for two weeks work, less than the £36 legal

Every Little Helps...To Underfunding of the NHS Make Record Profits spreads MRSA superbug

minimum. She told how she was unable to send her daughter to school because she could not pay the fees or buy the uniform. In Britain wages for a shelf stacker or till operator stand at just over minimum rates while Tesco's Chief Executive, Terry Leahy was paid £2.98 million last year. A low paid Tesco worker, on the basis of a 40-hour week, would need to work 239 years to make that kind of money. Tesco is also bringing in a cut in sickness pay; employees will not be paid for the first three days of illness, which scandalously USDAW, the main union in Tesco, is supporting!

Only the unions can point the way forwards. Up until now they have had a very close relationship with management and in some cases they have been its mouthpiece. The union needs to change track and begin to represent retail workers interests. This would include demanding the end of exploitation of overseas workers.

Private profit has no place in the distribution of food it is leading to poorer quality and the exploitation of workers. The unions must push the Labour government to take over the big four supermarkets and put them under the control of workers and customers. That way we could have a better service and use the profits of each hypermarket for the benefits of the community. □

The results of a survey on hygiene practices in the NHS were revealed at the annual conference of the Royal College of Nursing in Harrogate at the end of April. Underfunding of the NHS, poor hygiene practices and MRSA are all linked with terrible consequences for NHS users.

Delegates at the conference heard that the MRSA superbug is being allowed to spread because most hospitals fail to provide nurses with enough clean uniforms. The survey goes on to say that 66% of NHS trusts had no laundry facilities for personnel while 75% had no proper changing facilities for its staff and 53% of trusts did not provide nurses with enough uniforms to allow them to use clean uniforms for each shift. This lack of means for the workers to implement basic standards of hygiene explains the shocking picture of nurses in uniform taking the bus to go to work. Those who would rather not travel in their uniform have to change in dirty toilets.

The contempt of the Blairite government for public services, their continuation of Tory privatisation has consequently resulted in the death of nearly 1000 patients over the last year and the infection of up to 4,000 NHS users. The last reported casualty was a 36 hours old baby boy in Ipswich hospital.

Only with a militant policy on the part of the trade unions which organise NHS workers, together with NHS users, can we tackle the underfunding of our National Health Service, and its creeping privatisation - the main reason for the spread of superbugs and disease in our hospitals. □

Kick the privateers out of the NHS.

For massive investment to clean up the hospitals. No to competitive tendering, employ in-house cleaners on a living wage.

For a fully funded, National Health Service free at the point of need.

Nationalise the big drug companies.

Successful Action Saves Library

by Johan Heemskerk



SOUTHEND COUNCIL have done a u-turn after a large protest of over 150 people following a threat to close Southchurch library. A lot of the local community use the library and depend on it for many things, including the internet, books and much more. It is also somewhere we use after school to meet and do homework. If it did close, me and my friends, as well as many others would have nowhere to go. The reason the Tory council backed off was due to the show of sup-

port from all including many young people my age. But protests still went on in Southend High Street due to the threatened closures of the Palace Theatre, three other libraries, seven community centres and the sacking of forty park rangers. The fact that the council backed off after the first demonstration shows that direct action actually works and should be stepped up. We sold 24 copies of *Socialist Appeal* on the demo. □

MG Rover: What Went Wrong?

by Mick Brooks

ON THURSDAY April 7th, suppliers pulled the plug on Britain's last remaining car company - they just stopped delivering. They had heard that the joint venture with Shanghai Automotive Industry Corporation was not going ahead. On Friday April 15th SAIC confirmed the deal was off.

This is not just bad news for the 6,000 workers directly employed at Longbridge. 18,000 jobs in component supply are threatened. Nobody knows how wide the ripples from the disaster may spread. 8,000 jobs in Rover dealerships are also in the frame.

For the past four years MG Rover has been owned by the Phoenix consortium, who bought the group for a nominal ten pounds. The Rover crash may be a disaster for the workers, and for British manufacturing industry, but the Phoenix four have emerged unscathed from the wreckage. They have sucked at least £40 million out of the firm in the past four years in pay and perks. Workers' pensions may be in peril but their inflated pay-offs are quite safe. Though the car company has been making a loss for the past four years, the profitable bits - property and MGR Capital, a joint venture car finance business with HBOS, have been hived off to separate companies that won't go down with the rest of the business. And these separate firms are in the grubby hands of John Towers and his three mates. The Phoenix four have gone very quiet since the collapse. We wonder why?

There's a terrible smell coming out of the Rover accounts department. They seem to have mislaid £200 million. Or is it £554 million as the papers are now suggesting?

Let's take the lower figure. BMW left the firm with £1.2 billion four years ago. Since then Rover has made operating losses of £800 million. And Phoenix has spent £200 million on acquiring various assets. What happened to the other £200 million?

The government is holding an enquiry to find out where it all went. Isn't that a bit late? New Labour, in particular Byers at the Department of Trade and Industry, were the ones pushing the deal four years ago. In 2000 MG Rover was finally abandoned by BMW, who

bought it in 1994. The firm was faced with two offers: Alchemy, who wanted to run it as a specialist sports car company. This would inevitably have shed most of the jobs. And Phoenix, who undertook to maintain volume car production. As it happens, the MG sports car division is probably still profitable on its own, and may be snapped up by another buyer.

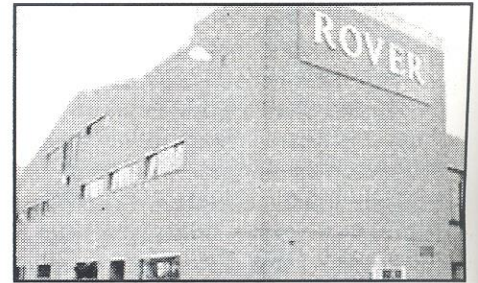
The problem is it would cost about £1 billion to develop a new Rover model. That money would presumably come from sales and profits. But sales are down year on year - 116,000 in 2003 as against 145,000 in 2002. Break even point is 180,000 cars. Rover has been working at little more than half its capacity - 56%. As the accompanying article explains, because of the huge cost of fixed capital in a modern mass production car plant, you have to run at 70% of capacity to break even. After that it's profit all the way. Because of this effect, Rover has been leaking losses since 2000, and indeed long before.

Phoenix and China

That is why Phoenix was in negotiation with SAIC. They have been talking the deal up for months to keep Rover afloat. But what on earth did they think the Chinese wanted with Rover? Why should a company with a potential home market of 1.3 billion people be interested in producing in the UK? At present Chinese car production mainly consists of assembling kits from more advanced motor producing nations. SAIC is a state owned company. What they wanted all along was the technology. Phoenix has already sold it to them in a separate bundle. That is why they didn't want the rest of the package. That is why the deal is off.

Tony Woodley, of the Transport and General Workers' Union, has consistently failed to raise the persistent rumours of malpractice about Phoenix. In effect he has disarmed his members and left them in the lurch. He still blames BMW for the state Rover is now in.

At its peak, the companies that came together to form the present MG Rover employed 170,000 workers. Now just



6,000 are collecting their cards at Longbridge. The story of Rover's downfall is the story of the decline of the UK car industry and of swathes of other manufacturing industry in this country.

The company was privatised in 1988 into the tender mercies of British Aerospace. What did BAe know about the car industry? Rover was passed from hand to hand, undergoing the indignity of continual name changes. At one time management were looking to a joint venture with Honda. At least Rover would have had a new range of models, even if they looked suspiciously like Hondas. But Rover management rejected the Honda link in favour of takeover by BMW in 1994. BMW appeared to have no plan as to what to do with their new acquisition. The new range failed to materialise. In the end, in 2000, BMW walked away from what they called the 'English patient'.

BMW threw money at Rover. They gave an interest free loan of £427 million, repayable by 2049. They left them with £385 million of unsold cars and a cash dowry of £112 million. That is what made Phoenix eyes light up. That is the inheritance they have squandered. Managerial neglect is a longstanding feature of the decline of the UK auto industry. Morris (later Lord Nuffield) spent more time on his philanthropic work than running 'his' car company. But for the Phoenix four, charity begins at home!

The government has responded to the disaster with a £150 million package. This is mainly redundancy pay and retraining measures. They are paying skilled workers £150 million to stay at home! Four years ago they could have nationalised the firm. They could even have paid full compensation. Labour still could and should take over what's left of Rover and save whatever still can

A short history of the UK car industry



be saved, in conjunction with the workers. But the last four years has been a wasted opportunity.

New Labour will lecture workers about 'realism' and the fact that governments can't run an active industrial policy because that means them picking winners. That argument would be more effective if the present government didn't have an unerring ability in picking crooks and losers every time they have the opportunity to select managers.

Socialist Planning

New Labour's policy towards manufacturing has been one of malign neglect. One million jobs have gone in industry since 1997. Yet it remains the case that 60% of our exports are from the manufacturing sector. How are we supposed to make our living in the world if this goes on? In February this country ran a £3 billion deficit - for one month. We are running a trade deficit of 5% of national income. That means foreigners are giving us £1 of every £20 we spend. Why on earth should they keep doing this? They won't. We can't all make a living with financial spivery in the City or by ringing people up from call centres and irritating the hell out of them. We have to make use of the manufacturing skills that exist. Capitalism has run our manufacturing system into the ground. Only socialist planning can rebuild it. ■

FOR THE last hundred years British car-making capitalists have shown two distinguishing features - greed and stupidity. The motor industry, together with passenger air transport and the computer, is probably the defining technology of the twentieth century. 100 years ago the engineering capitalists who had the technological know-how to move into this vast potential new market were not bothered. They were doing nicely out of arms contracts with the government. Then as now imperialism and militarism crowds out innovation.

Henry Ford (a nasty piece of work) foresaw homes with a car on every drive, and laid plans for mass production accordingly. By 1913 his US plant was churning out 200,000 cars a year. The biggest UK producer, Wolseley, was only making 3,000. British motor manufacturers saw themselves as producing a plaything for the rich while Ford wanted to sell the Model T to every well-paid worker and small farmer in the USA.

Ford realised that, to make his cars affordable, he had to produce them on a mass scale. He introduced techniques of mass production (now known as 'Fordism') and made sure his car plants were planned to the last detail. Everything possible was done in-house: he didn't want any nasty surprises. The trouble, for his imitators in Britain, was that this would involve a lot of costly investment. They preferred to rely on outside suppliers for components. Morris, which emerged as the biggest domestic producer, was family owned and did not even raise finance by launching its shares on the Stock Exchange till the mid-1930s. Morris did not appoint

an experimental engineer till 1949, and spent just 1% of turnover on research.

For all that, Britain emerged from the Second World War as the second biggest car producer and the biggest exporter in the world. Let's see how management squandered that position.

What were the scale economies embraced by the US mass producers and balked at by the smaller UK companies? By the 1970s it is reckoned that engine blocks could be produced efficiently only at levels of a million a year. The pressing out of body panels required huge capital investment and two million a year needed to be made to be producing at least cost. By 1970 the minimum efficient size of a car plant was reckoned to be two million vehicles. The combined UK producers, by now called British Leyland, were producing 200,000 - 250,000 cars a year.

The economics of mass production meant that producing below capacity produced massive cost penalties in terms of expensive plant lying around unused.

By 1969 Ford had invested three times as much fixed capital behind the elbow of each of their car workers as British Leyland. Not surprisingly productivity in Ford was three times the BL level.

It wasn't just the Americans. In 1965 the 'average' German car worker made 6.4 cars a year compared with 5.8 in Britain. In 1970 he made 7.5 and in 1976 he made 7.9. British car-making productivity actually fell over that period.

Sup-optimal levels of production increased costs - which hurt sales - which produced below capacity output in the factory - which hurt sales some more. And all the while the boss class made merry. British Leyland (now MG Rover) made £75 million between 1968 and

1975. £70 million was syphoned straight out by the shareholders. The bosses' hands in the till is as British as roast beef and Yorkshire pudding.

The decline of UK car manufacturing became evident after 1960. Critics blame the panic amalgamations in the 1960s for the decline. Actually they were a response to a rot that had already set in. Austin, Morris and all the UK producers collapsed into a heap called, for a time, the British Motor Corporation. The 1964-70 Labour government encouraged amalgamation to produce a 'national champion' big enough to take on the global competition. It was already too late.

The 1968 merger left 48 factories scattered over the country. No real move to mass production was initiated. Rationalisation only reduced the number of engines from nine to three. Even marketing remained divided with separate 'Austin' and 'Morris' dealers selling an identical Mini, apart from the badge.

In 1975 British Leyland collapsed and was promptly bailed out by the Labour government. So what's Blair's problem?

Leyland was privatised by Thatcher in 1988. They managed to get rid of it to British Aerospace by writing off £150 million. In the 1980s BL, now called MG Rover, began to build links with Honda. It is a measure of decline that the British motor industry was now dependent for new models and cutting edge technology on Japanese industry, which had been a smoking ruin in 1945.

In the 1960s Lord Stokes of British Leyland, stated, 'We don't make motor cars, we make money.' The firm he headed now makes neither.

What's the problem? It's not Britain. It's not British workers. Britain is still a country of mass car production. We even export lots of cars. But none of them is British owned. Our problem is the British capitalist class. ■

Nationalise Rover under workers' control and management

by Kris Lawrie

LAST MONTH, after 100 years of production, the lights went out at the Rover plant in Longbridge for the last time. This marked the end of the last British volume car producer.

In 2000 BMW tried to shut down Rover. That was in spite of hundreds of millions of pounds in government subsidies over the years, which they were not asked to return. Instead of nationalising Rover at that point, which they could have done free of charge, the government along with the trade unions brokered a deal with Phoenix Venture Holdings (PVH). PVH bought Rover for a token £10 from the previous owner BMW, who also paid a £450 million interest free loan to sweeten the deal.

In this way PVH, in reality four executives; Towers, Stevenson, Beale and Edwards (the Phoenix Four) were able to acquire a multi-million pound company for a tenner. They say that you get on in business by taking risks and putting everything on the line. These four executives put up the price of a pint of beer each and walked away with a billion. Over the last five years they, along with Rover CEO Kevin Howe, have awarded themselves £40 million in pay and benefits. These are ring-fenced so the receivers will not take a penny of it. There are no shareholders to answer to; the Phoenix Four are the sole owners of PVH.

In the run-up to the collapse The Guardian reported financial irregularities. In their five-year term PVH set up a web of companies between themselves and Rover and somewhere in the morass money has gone missing. For example eleven thousand cars, worth £90 million, have disappeared from the inventory since 2000; there is no explanation of where they have gone. Rover's income over the past five years was at least £1.3 billion, while losses have only totalled £900 million. Where is the missing £400 million?

Four hundred million pounds missing; but now 6,000 workers in the plant and 20,000 supplying it have redundancy hanging over their heads - £400 million split evenly between the Longbridge workforce would give them £75,000 each. But

they will get a maximum of £3360, less than two months wages for most of them.

This is a bombshell for the workers who have mortgages to pay and children to feed. It will be more difficult for them to find decent jobs than the papers are making out. One thing that there is no shortage of in the Birmingham area is unemployed skilled industrial workers and they will all be going for the same jobs. To add insult to injury many of the workers who were offered cheap credit deals on their cars, as a benefit, are being faced with demands for immediate payment of anything up to £10,000 from Rover's creditors.

The government now wants to provide a few crumbs for retraining 'it is sad but what can you do? It's the market.'

The market should not be more important than people's lives! In the 1970s when Rover was in trouble the Wilson government took the company into public ownership, even the Tory government of Heath nationalised Rolls Royce to prevent its collapse!

Some on the Labour left like Mark Seddon, who sits on the Labour Party NEC, were calling for government support to keep the company going. He called for the government to take a stake in Rover along the lines of Renault in France in order to reduce its dependence on the market. One suggestion that he made was that all future contracts for police cars should be placed with Rover.

Many on the Labour left seek to shield the worst effects of the market by pouring in state aid to subsidise profits and bribe the capitalists to keep the plant open. This is not a solution, as was the case with BMW in 2000, it will not stop them from pulling the plug anyway when it suits them. It amounts to nothing more than subsidising profits.

Nationalisation under workers control

The problem with past nationalisations is that they were done in the interests of business. They provided cheap coal, steel or transport etc for the British capitalists. Company structures were not changed

and in many cases the same managers, and fancy pay-packets, remained.

The only solution for Rover is nationalisation under the control of workers themselves. There should be no question of job losses. If there is overcapacity in the car market the skills of Rover workers could be used for other socially useful projects such as producing transport vehicles as part of an integrated transport policy.

Since Labour came to power one million manufacturing jobs have been lost and replaced with low paid service sector jobs. We must fight against any further job losses. We are fighting for decent, skilled and well-paid jobs for this generation and future ones. The unions must demand that the Labour government nationalises Rover and puts it under the control of the workers. The unions could use our industrial and political muscle to make sure that they do. We also need a coordinated campaign to take our struggle into the Labour Party to kick out the Blairites and put forward socialist policies in the interest of the working class. □

□ Prevent further asset stripping by occupying the plant.

□ Demand the opening of the books for union inspection.

□ Demand that the Labour government nationalises Rover under workers control and management.

□ Demand that the Labour government expand and use the skills base in Rover to implement an integrated transport plan as part of a socialist plan of production.

RMT hit the road to fight for renationalisation of the railways

by Tam Burke

ROUSING SPEECHES by Bob Crow, RMT General Secretary and Tommy Sheridan, MSP denouncing the rail companies for their profiteering, poor service and woeful safety records were enthusiastically supported by around 250 people at the opening rally in Glasgow. The speaker's calls for re-nationalisation under the control of the workers, with the denunciation of the Labour Government's support for big business were also cheered loudly. Also fighting back were T&GWU Glasgow Underground members, picketing the St. Enoch's station for the day's strike. The Colliery band then led a march through Glasgow city centre to another rally at Duke Street Rail station.

"This month we will see a campaign organized by the RMT against the privatization of our transport system and for the re-nationalisation of the railways. Socialists and trade unionists must welcome this initiative, especially during the election campaign. We fully support all steps to defend public services.

We demand a publicly owned fully integrated system of transport. Our train system is unsafe, overcrowded, overpriced and generally dilapidated. The bus system, ever since its deregulation and privatization, has been subject to cuts and deteriorating standards. Rural areas have been effectively cut off in many places. Millions have been forced onto the roads resulting in widespread congestion and pollution as the RMT have expressed recently. In London, the underground is literally falling to pieces as the infrastructure collapses under the weight of passengers traffic. Its fares are probably the most expensive in the world. Freight has been redirected from rail to the roads, while the motorways are under constant repairs. The whole system is being snarled up hence the accidents we see in increasing figures. The idea of introducing tolls and charging motorists to enter cities (as has been done in London and tried in Edinburgh) will not solve the problem. Such solutions do not answer the key question - in what interest is public transport run?

A new revolutionary approach is needed. Labour's plans for privatization and PFI must be dropped immediately by the Labour Government. Instead of the discredited old Boards that ran the

nationalized industries in the past, which were largely made up of ex-owners, Ladies and Gentleman, and other bureaucrats, we must introduce a system of democratic control. National management made up of representatives from government, the trade unions, rail workers and passengers, should be elected and operate under the right of recall. These can coordinate with all the transport services to draw up an integrated transport system. Within the transport industries there must be a system of democratic workers' control that can oversee the day to day running of the system. After all, transport workers know more about their industry than anyone else.

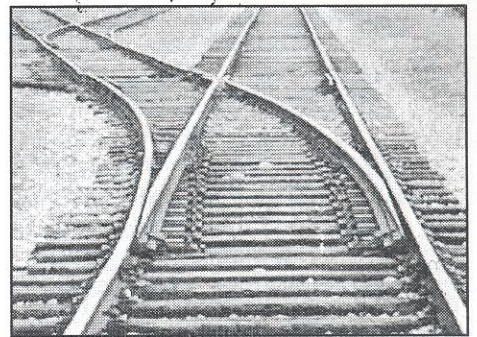
But where are the new resources to come from to develop an integrated transport system? PFI is simply pouring more money into the pockets of big business and the government helps the fat cats when they are in trouble. It is a licence to print money! Under the present big business system, where profit is the driving force, transport has suffered a protracted decline. Only by introducing a socialist economic programme can the resources be generated to rebuild our infrastructure and public transport system.

Instead of tinkering with capitalism, the Labour Government should be putting the interests of ordinary working people first.

Not only should the transport industries be brought back to public ownership as the RMT demands, but the key industries, banks and insurance compa-

In Edinburgh the marchers ended with a meeting of about 60 in the CWU (Postie's) club. More fighting talk from Bob and Colin Fox, MSP both showing the glaring inequality in wealth under New Labour. Bob recommended a vote for the Scottish Socialists and by contrast, vilified the Labour Party. No time for any discussion or even questions, but Tony Donaghy, RMT National President, thanked everyone for their support, particularly the Mayfield Labour Club for welcoming the marchers the previous evening.

20 copies of Socialist Appeal were sold and below we reproduce the text of a leaflet we distributed.



nies should be nationalized to allow us to draw up a national plan of production. Labour must also introduce a massive programme of public works to eliminate unemployment and put people before profit. Capitalism does not work. there is no place for such an economic system in our railways, in our hospitals, in our schools or anywhere else. ■

- All component parts of the rail network to be renationalized without delay
- A nationalized rail network to be run democratically involving government, union, rail workers and passengers' representatives.
- A fully integrated transport policy, bringing into public ownership rail, buses, air, shipping and road haulage. Compensation on the basis of proven need only.
- End the anarchy of the market economy. A transport system as a part of a socialist plan of production, where needs of people come before profits of a few."

Historic Equal Value Claim Victory Wins Workers £340 Million!

Christine Wharrier, UNISON convener, Whiteheaven

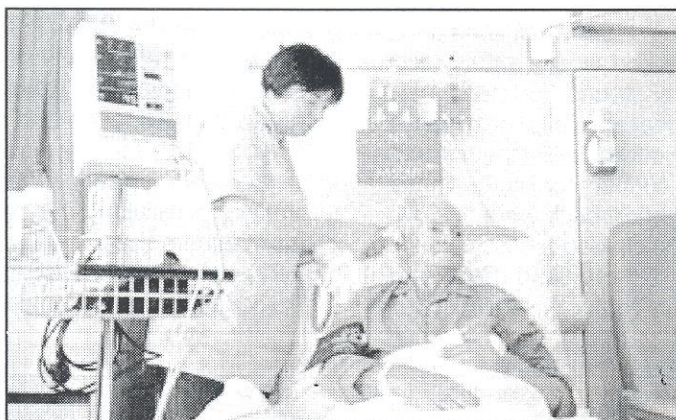
THE CAMPAIGN for Equal Value started in Carlisle in 1995. UNISON put forward a re-grading claim for a group of women workers. Each of them had a valid case for re-grading but their claims were rejected nonetheless. The management, when asked why they had not accepted the re-grading answered: because we don't have to. This summed up their contempt for the workers and unwillingness to sort out the burning issue of low pay for women.

In spite of the fact that the women workers and the union had actually won the argument, and that accepting the re-grading in 1995 would have cost the management a mere £185 each year split between 15 staff, because of management's ignorance, the union - and the union organiser Peter Doyle - decided to look for a better way of resolving low pay for women workers in the health service. The decision not to accept the re-gradings has ultimately cost the management in the North Cumbria NHS Trust £340 million in backdated pay.

The Equal Value claims were launched in 1997. There are been three full tribunal cases and numerous directions hearings over the last seven and a half years. The union started with 13 applicants originally, and ended up with a total of 1500 applicants.

Equal Value claims take low paid women and compare them with men who are doing jobs of equal value in terms of training, skills and experience. Across the health service women working in the traditional women's jobs are paid less than those working in the traditional men's jobs. These discrepancies can be challenged through tribunals using the Equal Value legislation. Our claim, which is the biggest ever, involved a range of low paid women domestics, cooks, lab staff, clerical workers and nurses.

Many of the staff will now be getting



annual pay rises of £7000 backdated for 14 years. Some of our applicants will be walking away with more than £250,000. The implications of this equal value claim are enormous. Every health care trust in the country, and there are more than 400 up and down the country, could face similar claims. They certainly should. Unfair pay for women workers is a fact across the NHS and the comparators (male jobs) exist in every health care trust. This just shows the real situation, as far as equality is concerned.

The benefits for the union in using this to fight for our members are huge. Higher paid members pay more subs, they are also paying backdated union dues out of the money they are receiving from the claim. That has given the union far more resources to fight for its members. It has also had a big effect on recruitment. In 1993 when UNISON was created there were 2800 UNISON members in the NHS in Cumbria, there are now more than 7000. This is as a direct result of the claim. The branch used the issue of Equal Value and sex

discrimination as an organising tool to build the local branch and this translated into massive growth. Cumbria has the fastest growth of any branch, not only in UNISON, but of any union in Britain. This shows that militant action pays, not only for members but for the union as well.

Over the seven and a half years of the claim, nine mass meetings have been held in the region, as well as numerous small section meetings involv-

ing thousands and thousands of union women. The final mass meeting to hear the news about the results of the pay claim, was held in the biggest venue in Carlisle. There were 1200 mostly women members present. That was the biggest trade union meeting ever held in Cumbria.

The union should be using this victory to organise workers in the health service, they could rally the membership by launching Equal Value claims and fighting for better pay for women and low paid workers. The use of Equal Value claims can blow the government plans for privatisation, PFI and foundation hospitals out of the water. What bank or capitalist will want to invest in a hospital with an Equal Value claim hanging over it?

Low pay for thousands of women workers in North Cumbria health service has been ended forever, the union's objective should be end low pay in the health sector forever.

The union must launch similar claims in local government, for nursery nurses,

"I just bought my house and my daughters house. The pension increase will allow me to retire in two years time on a good pension. The union has solved every financial problem I had."

Nurse Carlisle mass meeting.

"Just about one week I heard I was going to get £90000 backdated pay. I'm going drink £89999 and waste the rest."

Carlisle ancillary worker.

residential social workers, care assistants, home carers, dinner ladies and all low paid women workers.

The union would rapidly become the champion of working women, not only in Britain but across Europe. Equal value is only a tactic, it cannot finally resolve all the problems facing working women and men. But it is a tactic whose time has come, and as a union we must be prepared to use every avenue open to us to fight for our members. The only way that any government could get out of the vice of equality legislation and equal value would be to refuse to comply with European law. This would have enormous implications, and would be clearly seen as anti-women and anti-working class.

We cannot accept the refusal of trade union leaders to fight for what we have already won in Carlisle. The left is constantly criticised for having its head in the clouds, always wanting general strikes, revolutions and socialism tomorrow. These are the usual cynical attacks that are made against us by the right-wing in the trade union movement. They are the first to advise us to obey the law when it comes to industrial disputes. We have had a law making it illegal to discriminate against women since 1976, the time has come to start getting the benefits of it.

The case was initiated and fought by Peter Doyle, a Socialist Appeal supporter. It is the only case of its kind in the country. Peter's longstanding commitment to the ideas of Marxism and the struggle of the working class represented by Socialist Appeal played a key role in his campaign.

Socialist Appeal is calling on the trade union leadership to use the example of Carlisle, to use the law and to end discrimination on grounds of gender in the health service; to fight low pay; and to build the union.

Why are they not doing it?



THE BIGGEST EQUAL VALUE CLAIM IN HISTORY

by Ron Graves

THE CARLISLE case has now been agreed and the total cost is £340m. A mass meeting to formally release the details to everyone involved, but, for example, D Grade staff nurses are owed huge amounts of back pay calculated over 14 years at 59% compound interest. Their pay will rise to £26k. Obviously, this result - the biggest equal case win in history - is great news for the health workers in Carlisle, but its implications go far further.

While health workers elsewhere have been sold a bill of goods in respect of AfC (which is turning out to be even worse than many sceptical people thought) the Carlisle case shows what can be achieved when trade unions use their brains and their muscle in a co-ordinated way.

The supporters of the magazine "Socialist Appeal", who formulated and processed the case from start to finish, recognise that the result threatens to drive a coach and horses through AfC as well as Single Status in local government. The question is whether or not activists will now take up the Carlisle case as a beacon in the campaign for real pay rises in the public services. I think we all need to publicise the result in Carlisle and put pressure on our unions, regionally and nationally, to demand equitable settlements throughout the NHS and the rest of the public sector.

Dave Prentis has intimated that UNISON will now look for some kind of back pay deal for relevant staff, but this will probably turn out to be a smoke screen to further conceal the fact that we have all be saddled with a awful pay system in AfC.

Carlisle gives us a real opportunity to wage a militant campaign on wages. Let's not let it go to waste.

Details of the claim:

Large hike in wages for all the women concerned - for example a D-grade nurse in Carlisle will have wages increased by about £9000.

As well as a large increase to basic wages and pensions workers will receive years of backdating. The claim was made in 1997. Backdated pay is paid for the six years prior to the claim. So all claimants will get their increase backdated to 1991.

Therefore a worker receiving £9000 extra a year could get a lump sum of £126,000 for starters.

On top of basic wages all extra payments such as shift allowances for unsocial hours and weekends will have to be backdated at the revised rate. These will vary from worker to worker depending on what hours they worked.

Pension payments will also have to be backdated.

The employers will also be liable to pay interest on the back wages at a rate of 53%.

Some workers will get about £¼ million in their hand.

Hands Off Venezuela

National Union of Journalists national conference agrees to work with Hands Off Venezuela

by Pablo Sanchez, London Central Visitor

LAST WEEKEND the Annual Delegate Meeting (ADM) of the National Union of Journalists (NUJ) was held in snowy Scarborough, Britain. Hands Off Venezuela supporters had a busy weekend as there was a motion lined up for discussion on Venezuela as well as a debate against the privatisation of the BBC and the opposition to the war in Iraq. Saturday afternoon saw a discussion of a motion on Venezuela that criticised both the role of the Venezuelan media owners in the coup against Chavez in 2002, and the use of the British media in limiting and misrepresenting information on events in Venezuela. The resolution also recognised the support of working people and the poor for the Chavez government as expressed in the presidential recall referendum in August 2004, as well as how this support was the result of the progressive social programmes implemented by the government. The motion also agreed to further the issue of the Venezuelan revolution within the labour movement, to participate in a trade union delegation to Venezuela, to build links with Venezuelan trade unionists and to work for these aims with the Hands Off Venezuela campaign.

The motion was presented by a speaker from the National Executive Committee and had favourable amendments from the Book Branch and London Central that had speakers supporting it. After a very interesting debate, the ADM agreed to support the motion.

ADM also saw the biggest fringe meeting in the form of a joint meeting between Hands Off Venezuela, Justice for Colombia and Cuba Solidarity Campaign. More than 30 attended a meeting chaired by NUJ General Secretary Jeremy Dear and with 3 speakers: Jorge Martin, International Secretary of HOV, Carlos Cruz, Colombian Journalist and Jesus Gonzales, Economic counsellor of the Cuban Embassy.

Jorge Martin outlined the necessity of supporting the

London -> Caracas School: culture, food, music and ... revolutionary politics

A SIZEABLE group of British and Latin American youth joined by other campaigners and trade unionists gathered in the Saint George's Community Circle on April 23rd. The reason was not to celebrate Saint George's Day but to critically debate the struggles all across the Latin American continent with a special focus on Venezuela. Vegetarian food was served all day by the New Generation supporters at very affordable prices.

The day started with a workshop on the meaning of Bolivarianism and Socialism introduced by Jorge Martin, from the Hands Off Venezuela Campaign. After this came Colombia Solidarity Campaign activist Andy Higginbottom talking on the war launched by Coca-Cola on the Colombian Trade Union movement. Before lunch time Jorge Martin reported on the uprising and overthrowing of the Lucio Gutierrez government after he failed to fulfill the hopes of the masses in working and



Venezuelan Revolution by trade unionists internationally and explained the situation in Venezuela. Carlos Cruz, on the other hand explained the difficult conditions for trade unionists and journalists in neighbouring Colombia and the Cuban speaker gave a good account of the economic and social situation in the island. A couple of NUJ members who are supporters of the Colombian Solidarity Campaign reported on the incident in Bristol when the Colombian vice-president got red paint thrown at him in protest of the role of his government in the assassination of trade unionists in that country.

The weekend in Scarborough was a good opportunity for HOV supports to advertise the campaign, sell material and ensure that the NUJ is fully behind the inspiring Venezuelan Revolution. In the coming months we will have speakers in as many branches and chapels as possible to start a debate about the media in Venezuela and the need for international support for Venezuela's Bolivarian Revolution. ■

.....
living conditions

Around 4pm the school reached its peak with 50 people joining in the discussion conducted by Dave Raby (Institute of Latin American Studies in Liverpool) called "Transforming the Military". Dave explained how besides the reactionary traditions of the South American military there was a progressive tradition. President Chavez and others organised clandestine military movements to overthrow the corrupt and pro-bosses governments of AD and COPEI (two main parties in Venezuela that alternated in power until they were ousted in 1998). The debate was very animated and people discussed different issues amongst them, the formation of popular militias and what is the meaning of the people in arms.

When the debates finished "Venezuela from Below" was screened while New Generation held Salsa lessons. Afterwards, there was a gig where samba bands, DJs, Folk music bands and hip hop crews performed. ■

by Ramon Samblas

"The Hands Off Venezuela Campaign is an extraordinary initiative" - An Interview with Orlando Chirinos (UNT National Coordinator)

by Alan Woods

DURING THE workshop on "Workers' participation in the management of companies" at the 3rd International Gathering in Solidarity with the Bolivarian Revolution, which took place in Valencia (Carabobo state), Alan Woods interviewed Orlando Chirinos, National Coordinator of the Venezuelan trade union confederation, UNT (National Workers Union).

Alan Woods: In a very short space of time the UNT has become the most important trade union confederation in Venezuela, completely pushing the old bureaucratic CTV to one side. How many members do you have right now?

Orlando Chirinos: There are some 600,000 members, though I do not have the latest figures and we are still growing. In any case, this figure does not give a precise picture of the strength of the UNT within the Venezuelan working class. There are millions of workers who think they are part of the UNT, though they are not formally registered as such.

AW: And the CTV?

OCh: We have documents that show that the CTV does not even have 300,000 members right now. In an attempt to justify their collapse they say that President Chavez has smashed them. But this is not the case. They are the victims of their own behaviour and their inability to represent the interests of the working class.

AW: Some of their leaders even supported the coup three years ago.

OCh: That is true. What we have to realise is that in Venezuela there is a process of change and this has its

reflection in the trade union movement. There is a real trade union revolution, a revolution from below, and the clearest expression of this is the UNT. Here is a significant fact: here in Carabobo [one of the main industrial and workers' centres of the country] there were 27 referenda on collective bargaining agreements, and the UNT won 22 of them.

AW: However, the CTV still has a certain base. How do you explain that?

OCh: They count above all on the support of the CIOSL [ICFTU]. They receive funds from the US. The imperialists, who are continually harassing the Venezuelan revolution, want at all costs and by any means necessary to stop the UNT. This explains their support for the CTV, despite the demonstrable fact that they no longer represent the working class of this country.

AW: Obviously. There is an incredible international campaign to isolate and harass the Venezuelan revolution. We know that there are strong pressures in the US trade unions and also the right wing of the European trade unions to deny international recognition of the UNT. Through the "Hands off Venezuela" Campaign we are doing all we can to explain the real situation to the labour and trade union movement in Britain and throughout Europe. The main problem is the lack of information. Once European trade unionists have real and truthful information, the reception is very good.

OCh: This is very important. The UNT is an internationalist organisation. The working class is a world class. We should not be limited by narrow nation-

al horizons. Our motto is, "Workers of the world, unite!"

AW: We are in the workshop about workers' co-management. I personally prefer to talk about workers' control. What do you think?

OCh: Our strategic struggle is not co-management. At this particular time we are passing through this phase. But we must put into question capitalist production relationships and advance towards socialism. There are concrete facts: for instance the nationalisation of Venepal (now Invepal) and tomorrow there will also be the nationalisation of the Constructora Nacional de Valvulas (CNV). There are elements of workers' control like we see in ALCASA (in Bolivar state), where the process has gone further.

AW: Finally, what do you think of the "Hands Off Venezuela" Campaign?

OCh: The "Hands Off Venezuela" campaign is an extraordinary initiative. It is the only significant campaign that is taking place internationally. Unfortunately, until now we have not paid enough attention to this campaign, but its support has been very valuable to us. The truth is that no one else has done what you have done. I consider the links between the UNT and the "Hands Off Venezuela" Campaign very important. I promise to raise this question at the next meeting of the National Coordination [National Executive Committee]. You can rest assured that we will continue to deepen the relationship with the Campaign. □

Anti-imperialist demonstration in Los Angeles

THE EZEQUIEL Zamora Bolivarian Circle and other organisations organised a demonstration in defence of the Venezuelan Revolution. It was held in Los Angeles, US. The protest was held on March 31, the same day that California commemorates the birth of

Cesar Chavez, a fighter for trade union rights for poor farmers in California. The protestors were joined by some Afro-American and Mexican students who sang together anti-imperialist slogans in English and Spanish. Here we have some pictures of the march. □



The banner reads "President Bush, we demand respect for Venezuela's sovereignty"

The tipping point

by Michael Roberts

AT FIRST sight, all seems well for the richer capitalist economies of the so-called G7. At the recent meeting of the G7 finance ministers, the leaders of capitalist world expressed confidence.

The one black spot was the refusal of China to attend the meeting as observers. The Chinese were fed up with being invited to the table only to be lectured by the Americans that they were wrecking capitalism by selling their goods too cheap and they needed to let their currency rise against the dollar, making their products more expensive.

The Chinese 'communists' would love to join the top table of capitalism, but not if it means being told off like naughty schoolboys. Instead, they will just go on taking more and more of world markets for consumer goods. It is no accident that, as the last British-owned car company bites the dust (Rover), the only hope of salvation came from a Chinese car company.

Anyway, no matter for the British capitalists: UK economic growth looks okay at about 2.8% a year. Across the Atlantic, the US economy motors on at nearly 4% a year. In both economies, inflation is still relatively moderate at about 3%; unemployment is low at about 5%. Above all, both US and UK big business are sucking up huge profit gains. In 2004, the US corporate sector achieved a 20% rise in profits, while wage rises did not keep up with inflation. Both Bush and Blair (by the time you read this) are back in office for another term despite the opposition of the majority to their crude militarist adventure in Iraq. It's the economy that counts.

But look further afield in the G7 and things are not looking quite so rosy. Canada has been growing relatively well too, but now it is racked with a major corruption scandal. The Liberal government has been caught with its hands in the till.

Japan remains locked into slow growth and even deflation. Unemployment, low by European standards, is still unable to fall. Japan's manufacturers are switching factories and jobs overseas into China at a rate of knots.

And of course, the G7 economies of Europe: Germany, France and Italy are stagnating. With economic growth barely



above 1%, unemployment close to 10% and rising, governments are in confusion. Chirac looks set to lose the referendum on Europe (despite the reluctant backing of the right-winger Sarkozy and the socialist leaders).

German chancellor Schroeder may well lose in a key state election next month. He has already lost control of Germany's upper house to the right-wing Christian Democrats. There is widespread disillusionment with the Social Democrats, but no enthusiasm for the CDs either.

And there is Italy. The Rupert Murdoch of Italy, Silvio Berlusconi, is still PM, but his rag-tag right-wing coalition is in shreds, as even the ex-fascist National Alliance in his cabinet criticises his failures. The polls show that the centre-left coalition is set for a big victory in elections next year. The economy is stagnating too.

Europe's slow growth has also meant rising budget deficits and public debt. The Germans, French and Italian governments are running 4% of GDP deficits, well above the limit set by the Maastricht treaty when the Eurozone was set up. And public debt to GDP is also heading above the limit of 60%. Japan continues to run a 7% of GDP deficit with public debt at 160% of GDP. The sabre-rattling administration of Bush is also running a 4% deficit. Even prudent Gordon Brown is starting to run a budget deficit heading above 2%.

That brings me to a favourite measure of capitalist confidence: the misery index. Combining inflation with unemployment

gives you a crude guide as to whether any capitalist economy is doing okay and getting away with it. If the combined inflation and unemployment rate is below 10, then usually things will be okay. In 2005, things stand like this in the G7 countries.

	Misery index:		Total
	Inflation	Unemployment	
US	2.5	5.5	8
UK	2	5	7
Can	2	7	9
Ger	1.5	9	10.5
Fra	2	10	12
Ita	2.5	7.5	10.0
Jap	-0.5	4.5	4

History of this measure shows that anything above 10 means trouble for incumbent governments. Look at the average of the 1980s, for example, and compare what happened politically then.

	Average of 1980s		Total
	Inflation	Unemployment	
US	5.5	6	11.5
UK	7	7	14.0
Can	6.5	9	15.5
Ger	3	5	8
Fra	7	9	16
Ita	11	9	20
Jap	2.5	2	4.5

In the 1980s, Britain and Italy were racked with strikes and intense class struggle, with several different governments in the case of Italy. France too, was volatile. And Canada had a high strike rate. In contrast, Germany and Japan were relatively quiet.

If the misery index means anything, the current level suggests political defeat for Chirac in France, Schroeder in Germany and Berlusconi in Italy - all are having elections next year in 2006. In contrast, Japan's government under Koizumi seems secure. Indeed, as Japan's misery index has been below 10 for 40 years, so has its centre-right government ruled almost without a ripple of opposition.

From the current measure, it would seem that the strongest capitalist economies, and thus the safest governments, are those 'Anglo-Saxon' ones, like

the US, the UK and Canada. In that sense, it would seem that capitalism works. If you can make your workers work the longest hours; if you can pump huge amounts of credit into the economy to keep interest rates low; if you keep trade unions down so that workers take a hit in wages and benefits; then you can make it work, for a while.

American workers work the longest hours among G7 countries. The Federal Reserve has printed huge amounts of dollars to keep interest rates at record lows so that American households can finance their spending cheaply. They've borrowed heavily on their houses at low mortgage rates, relying on ever-increasing house prices to justify their spending. Consumption of cheap goods from China has kept this whole house of credit cards standing. It has been economic growth on credit.

French, Italian and German capitalism cannot do the same because the European labour movement, up to now, has resisted the attempts of the ruling class to ape the policies of the Americans and British to close down the welfare state, end pension schemes, lengthen working hours and push interest rates so low that everybody borrows to survive. Not surprisingly, in the boom part of the capitalist economic cycle, these capitalist economies perform the worst!

But the seemingly secure position of Anglo-Saxon capitalism is an illusion. The US, UK and other copycat economies like Australia and Canada have run up huge debts. American and British household debt is now about 120% of average annual income. At the moment, with interest rates still relatively low, the cost of servicing these debts is still manageable. But interest rates are rising because the credit binge has pushed up not just house and energy prices, but also is now beginning to affect the cost of and goods and



services in the shops.

And the Anglo-Saxon capitalist economies are no longer producers of things, unlike Japan, Germany or France. They make guns, tanks and other armaments, but after that they have become giant service economies, that make their profits from real estate, 'professional services', insurance and finance. They are increasingly 'rentier economies'. Their big companies are mainly financial.

It is no accident that what used to be the icon of American capitalist might, the car giant, General Motors, is now failing. It has lost market share worldwide and in the US to the Germans, Japanese and Koreans (soon the Chinese). It recently announced a \$1.8bn loss. But most interestingly, it made a profit of \$700m from its credit-financing arm. Now General Motors only makes money from financing the sale of its cars to buyers, not from making them!

Ironically, the relatively stronger economic growth of the US and UK economies has also been dependent on the expansion of the public sector! The Bush administration has been spending on wars in Iraq and Afghanistan and on Homeland Security at unprecedented levels. And in the UK, increased spending on health, education and other public services has been a major contributor. Without this spending, Anglo-Saxon economic growth would not have looked so much better than Europe.

But there is no gain without pain. In both the US and the UK, the ruling class is out to make sure that they do not have

to pay for this spending. As Bush raises spending on war, he plans huge cuts in social services and pensions for a whole generation of those working now. Blair and Brown are preparing a similar pensions attack once their third term is assured. And, of course, the tax burden for the average household (as measured as a share of GDP) is set to rise to record levels, while the burden of tax for business has never been lower.

Most important, the days of strong profit growth are over. Higher inflation will mean higher interest rates, eating into the profits of business and causing a shakeout in the housing market. Already prices are falling in Australia and the UK. They will tail off in the US next year.

And the ability to squeeze more hours out of workers or increase their productivity by new technology looks exhausted. Slower profit growth, or even a fall in absolute profits is on the cards. With the lifeblood of capitalism blocked off, investment and economic growth will falter in 2006.

The Misery Index is likely to look something like this in 2006:

	Misery index in 2006:		
	Inflation	Unemployment	Total
US	4	6	10
UK	3	7	10
Can	4	8	12
Ger	2	11	13
Fra	2	11	13
Ita	2	8	10
Jap	1	5	6

Then all the G7 economies (except Japan) will be at or above the historical tipping point for political trouble for the first time in 15 years. It means intensified class struggle and the first real challenge for capitalism since the 1980s. Indeed, if the world tips into recession, it will be the Anglo-Saxon rentier economies that will suffer the most. □

Trotskyism in May 1945:

Down with the Churchill Coalition! Labour to Power on a Socialist Programme!

by Rob Sewell

SIXTY YEARS ago during the closing stages of the Second World War, for the first time in Britain a Trotskyist party contested a Parliamentary election. This was the little known Neath by-election of 15th May 1945.

The Trotskyists at this time were organised in the Revolutionary Communist Party, a small party established in March 1944. Unlike today's "revolutionary" grouplets which water down their programme in the most opportunist and reformist fashion, the RCP was not out for cheap votes, but sought to raise the fundamental tasks of the working class in the clearest, sharpest and most principled way. The party's platform was uncompromisingly revolutionary:

"In the whole course of the war", proclaimed the Socialist Appeal of January 1945, "not a single election has been fought wherein a direct revolutionary appeal has been made to the electorate. The Revolutionary Communist Party will make this election a test of the real feelings in the ranks of the working class. Our candidate will fight on a platform of uncompromising hostility to the imperialist war, for the breaking of the Coalition, for the overthrow of the Churchill Government and for Labour to take power on a Socialist platform..."

The Revolutionary Communist Party was formed from the unification of two Trotskyist groups, the remnants of the Revolutionary Socialist League and the much larger and more successful Workers International League, which had developed a significant industrial base. Its founding conference deliberately chose the name Revolutionary Communist Party in contrast to the pro-war "Communist" Party, which it publicly dubbed "His Majesty's Communist Party".

Ever since its inception, the young party had been the subject of a witch-hunt by the gutter press as well as per-

secution by the forces of the state. Led by the reactionary *Daily Mail*, which only a few years earlier had been a vigorous supporter of Sir Oswald Mosley and his British Union of Fascists, the press had accused the newly-formed RCP being responsible for the "present discontent in the coalfields and other sections of industry by poisoning the miners' minds both against their own leaders and the government." They referred to the Trotskyists as "Stalin-haters", after the *Mail* had switched from Hitler to become a fervent admirer of Joseph Stalin, and urged the government to take firm action against these militant "trouble-makers".

Churchill

The Churchill government swiftly obliged with Special Branch raids on the headquarters of the RCP and members' homes in Nottingham, Glasgow and Newcastle. At that time the party was giving assistance to apprentices in Tyneside in their opposition to the Bevin Boy scheme, which forced young workers into the mines. Four leaders of the RCP, including its general secretary Jock Haston, were framed and arrested on charges of furtherance of an illegal strike, conspiracy and incitement.

Throughout the war, the Trotskyists consistently put forward a revolutionary programme in the pages of its newspaper *Socialist Appeal*. Its banner heading "Our Programme for Power" proclaimed:

"An end to the coalition with the bosses. Labour and trade union leaders must break with the capitalist government and wage a campaign for power on the following programme:

1. Immediate despatch of arms and material to the Soviet Union under the control of the trades unions and factory committees.

2. Nationalisation of the land,

mines, banks, transport and all big industry without compensation.

3. Confiscation of all war profits - all company books to be open for trade union inspection.

4. Workers' control of production to be exercised through workers' committees to end chaos and mismanagement in industry.

5. Equal distribution of food, clothes and other consumers' commodities under the control of committees of workers elected from the distributive trades, factories, housewives' committees and small shopkeepers.

6. Sliding scale of wages to meet the increased cost of living with a guaranteed minimum.

7. Repeal of the Essential Works Order and all other anti-working class and strikebreaking laws.

8. Clear out the reactionary pro-fascist officer caste in the army and Home Guard. Election of officers by the soldiers. Trade union wages for all workers in the armed forces.

9. Establishment of military academies by the trade unions at the expense of the state for the training of worker-officers.

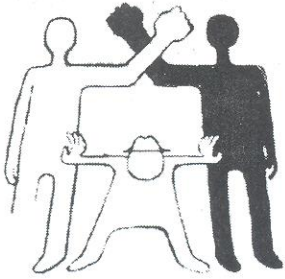
10. Arming of the workers under control of committees of workers elected in factories, unions and in the streets against the danger of invasion or Petainism.

11. Freedom for Ireland, India and the colonies.

12. A socialist appeal to the workers of Germany and Europe on the basis of this programme in Britain to join the socialist struggle against Hitler for the Socialist United States of Europe."

This programme constituted an application of Trotsky's "proletarian military policy", which allowed the Trotskyists to re-orientate themselves to the new situation of world war. Trotsky

WORKERS



TOGETHER

Socialist Appeal's May Day Greetings

Socialist Appeal editorial board would like to send May Day Greetings to all readers and thank you for

**May Day greetings, from the
Convenor, Honda Swindon.**

**Given the travesty at MG
Rover, the need for militant
trade unions within the car
industry is paramount.
Universal solidarity & social-
ism, uncompromised represen-
tation of the struggles & values
of the working classes, as well
as returning the trade unions
back to the membership.**

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

NUJ

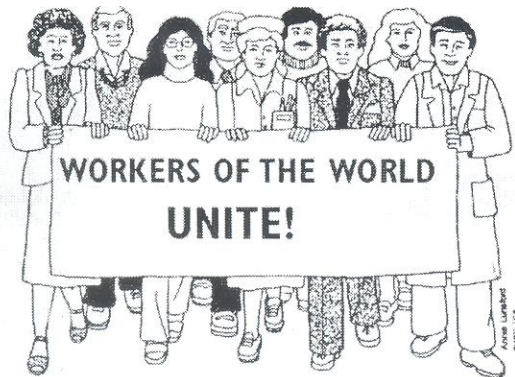
- * Fight low pay
 - * Repeal the anti-union laws
 - * Defend jobs -
- No to the privatisation of the BBC**

**Forward to Socialism!
from
Socialist Appeal
supporters in
Scotland**

North Cumbria Healthcare UNISON branch

send Fraternal May Day Greetings to all
brothers and sisters throughout the
movement

**£340 million - The biggest
Equal Value Win in the World!**



Kent Socialist Appeal supporters send May Day Greetings. For internationalism, solidarity and socialism

May Day Greetings from Andover and Salisbury to Socialist Appeal supporters

Hands Off Venezuela
London Committee

May Day Greetings

Oppose US imperialist intervention in Latin America!

Defend the Venezuelan Revolution!

Socialist Appeal supporters in Wales send May Day greetings to workers in struggle everywhere

**UNISON NORTH WEST ANGLIA
DISTRICT HEALTH BRANCH
Sends May Day Greetings to
*Socialist Appeal***

✂ NO! To PFI and privatisation!

✂ YES! To a democratically controlled NHS free to all at the point of need!

✂ "THE RIGHT TO LIFE IS HIGHER THAN THE RIGHTS OF PRIVATE PROPERTY."

London Socialist Appeal
Supporters send May Day Greetings
to workers in struggle across
the world!

Merseyside Supporters send
May Day Greetings to Socialist Appeal

CWU London 7 May Day Greetings

For the repeal of all Tory
anti-trade union laws

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

**May day Greetings
Socialist Appeal from Phil
Waker CWU NEC**
(personal capacity)
**Repeal all anti-trade union laws
For a socialist Labour
Government**

Harlow Trades Union Council
Sends May Day Greetings
For a Labour government on a
socialist programme
All forms of Toryism must be defeated

May Day Greetings from
Workers Unite - Yorkshire
We dont care who wins this
election, just make sure the
Tories don't get back in! Viva
la revolution!

PETERBOROUGH TRADES UNION COUNCIL

May Day Greetings To *Socialist Appeal!*

- ✂ Repeal the anti trade union laws.**
- ✂ Full employment rights for all workers.**
- ✂ For a £6 per hour minimum wage,
with no exemptions.**

**NO MORE PRIVATISATION!
RENATIONALISE THE RAILWAYS!**



HANDS OFF VENEZUELA!

In Solidarity with the Venezuelan Revolution

Faced with a renewed campaign by the US administration against the Venezuelan Revolution, it is imperative that the labour movement around the world mobilises to defend the Bolivarian movement. It is vital to break the fog of lies and misinformation in the international media, and magazines like Socialist Appeal have already played an important role in this respect.

May Day Greetings from Youth For International Socialism



YFIS

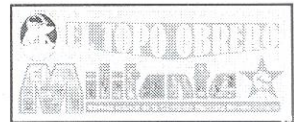
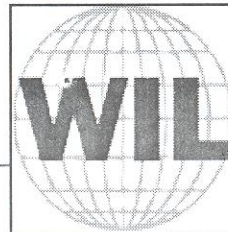
Fightback

The Marxist Voice of Labour and Youth

May Day Greetings from your comrades in Canada. Workers of the world unite!

Greetings from the Workers' International League, United States

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

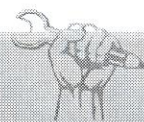


May Day greetings to Socialist Appeal from the comrades of 'The Struggle' in Pakistan Forward to the socialist revolution!

editor Lal Khan

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

For Socialist Dawn! For The Revolution!



May Day Greetings from the Marxists in Greece

explained that in the present context it was incorrect to advance the old slogan of revolutionary defeatism - the defeat of "one's own" imperialism - in a crude fashion. He explained that while Lenin had advocated this position in the First World War, in was in a different context aimed at the advanced guard and not the broad masses. It was an attempt to combat chauvinism and educate the revolutionary cadres in the spirit of internationalism.

For a revolutionary war against fascism

In the present circumstances, it would be false to give the impression to workers that the Trotskyists favoured support for the "enemy" imperialism, especially given the justifiable hatred of British workers for Hitler and the Nazis. While the RCP opposed the imperialist war, which it regarded as a continuation of the First World War, it refused to put forward a pacifist or "peace" programme, which had no appeal for workers faced with Hitler's armies. Instead, the Trotskyists exposed the war aims of the imperialists, who supported Hitler when it suited them, and advocated instead a genuine revolutionary "war against fascism". Such a war could not be fought under the leadership of Churchill and the capitalists, but only when capitalism was overthrown and the working class were in power. This military programme served to connect with the advanced class-conscious layers of the working class who distrusted Churchill but who wanted to fight fascism. This was especially the case after the fall of France in 1940 and the betrayal of the French ruling class.

The RCP's programme also contrasted sharply with that of the so-called Communist Party, which, after the German invasion of the USSR in mid-1941, had become an open supporter of Churchill and the war effort. On the industrial front, the Stalinists opposed all strikes and became the most blatant strikebreakers. All work stoppages were denounced as a betrayal of the war effort, while class collaboration became the key platform of the "Communists". As a consequence, the Trotskyists were labelled by the Stalinists as agents of Hitler, who must be driven out of the workplaces. On the electoral front, the CP became the most ardent chauvinists ("the only good German is a dead German") and as well as an enthusiastic

cheerleader for the Coalition government.

The Trotskyists were determined to expose this myth of "national unity". An important opportunity came in early 1945 when a by-election was called in Neath, South Wales. This would allow the RCP to enter the electoral field and contrast their programme with those of the other pro-war parties.

South Wales was regarded as a fertile area for the RCP for a number of reasons. First of all, the area was traditionally a stronghold of both Labour and Communist Parties. But with Labour in a Coalition with Churchill and the "Communist" Party loyal to the Coalition, this alienated many advanced workers, a layer of whom could be attracted to a revolutionary alternative. The militant traditions of the South Wales working class were also reflected in the high level of unofficial strikes, especially in the coal industry. Under these circumstances, the strikebreaking actions of the "Communists" served to repel the best militants. While the RCP had no illusions in winning the seat (where Labour had a huge majority), it hoped to connect with the socialist and class-conscious traditions and undermine the position of the "Communist" Party in South Wales.

The announcement of the RCP to stand Jock Haston its general secretary as its candidate in Neath badly stung the "Communist" Party. The West Wales CP sent a letter to the local Evening Post denouncing the RCP: "In contrast to their policy of disunity and strikes the Communist Party stands for national unity of all people who are for the defeat of Germany and for a people's peace... We call upon the people to reject the policy of these proved enemies of the workers, as their policy is definitely opposed to the present and future interests of the working class."

The RCP hit back by challenging the Stalinised "Communist" Party through the press to a public debate to back up their slanders, but they constantly refused. This was followed by Haston's speaking tour throughout the constituency, beginning with at the Miners' Welfare Hall in Gwaun-Cae-Gurwen. The report in the Socialist Appeal told of "a magnificent response" and "growing demand for our pamphlets." By early February 150 copies of "ABC of Trotskyism" had been sold. More meetings were planned



with Haston, Ted Grant, the editor of Socialist Appeal, Ajit Roy and a Greek revolutionary.

The whole of the RCP's membership, some 400 comrades, were mobilised to help in the campaign, coming to Neath whenever they could, sleeping on floors, and donating whatever money they could. Small offices were rented in Alfred Street, Neath, which were a hive of activity. Such was the impact of the campaign that members of the local ILP volunteered to help.

Stalinist Abuse

The CP volunteered to help the Labour campaign, but this was rejected. Nevertheless, they continued to attack the Trotskyists. "They are a greater menace and far more dangerous than a Fascist paratrooper." They poured out a stream of abuse in a series of leaflets and a pamphlet entitled "Trounce the Trotskyists".

The CP held a public meeting in late April on the same subject with 300 present. A week later 750 attended an RCP meeting in the Gwyn Hall, Neath. It was the biggest meeting of the election campaign and was addressed by Ted Grant, Bob Condon, Miners' Agent Cannock Chase, and Jock Haston. "We have opposed this war from the beginning. This is a war for profits. The working class can only fight fascism by taking power into its own hands."

Pressure has reached record levels within the ranks of the CP for a debate with the Trotskyists. Eventually the leaders had no alternative but to relent. The debate took place on the eve of poll. "The greatest mass rally of Neath workers to be held in the Gwyn Hall since 1929", reported the Socialist Appeal.

Some 1,500 workers packed into the debate, where Alun Thomas, leader of the West Wales CP, took on Jock Haston. Thomas, behind a giant banner

"Long Live the 4th International", opened by saying that it was not the usual policy of the CP to debate with Trotskyists. Unfortunately, he said, there were some politically backward people in Neath who had been persuaded by the demagogy of Haston. He went on to defend the record of the CP and explain that the Moscow Trials had proved conclusively that the Trotskyists were fascists. "Haston has come to this election to confuse and split the workers", he said. "In Russia they defeated fascism because they shot all the Trotskyists and the Fifth column scum, and if we had our way, these people on this platform would be shot."

Haston opened his reply by saying that Thomas' statement about it not being the CP's policy to debate with Trotskyists was the only true part of his speech. However, the CP had been forced to debate.

He then went on to deal with the Moscow frame-up trials, the CP's policy of "peace on Hitler's terms", the Stalin-Hitler Pact, Third Period Stalinism where the CP advocated the physical smashing of Labour meetings, the expulsion of Trotskyists for advocating a united front to defeat Hitler, the bureaucratisation of the USSR, and the capitulation of the CP to Churchill and reformism.

"In the course of this campaign", stated Haston, "we have attempted to raise the fundamental political issues before the working class. Anyone who has studied the literature distributed by 'His Majesty's Communist Party' or attended their meetings will find concentrated slander but no political attack."

On election day the RCP managed to achieve a magnificent 1,781 votes for revolutionary communism. The *Socialist Appeal* supplement brought out soon afterwards explained under the headline "Trotskyism Lays Roots in Wales": "At a

time when the policy of international socialism is under violent attack from not only the capitalist class, but from every section of the Labour and Stalinist movement, the fact that in a small area of Wales, 1,781 workers voted for a policy of revolutionary socialism, holds out great hope for the future of the working class movement. This vote was cast in face of the bitterest and most hysterical slander campaign to be seen in an election for many years."

As expected the Labour Party polled over 30,000, which still reflected the great loyalty of workers to Labour, while the nationalists gained some 6,000 votes. The RCP's vote was qualitatively different, representing the most class-conscious workers looking for a clear Trotskyist lead. Even then, the RCP never had a sectarian approach to the mass organisations, unlike the sects of today. "The discussions with Labour Party members were always on the plane of how best to change the Labour Party policy by fighting from within", stated the *Socialist Appeal*.


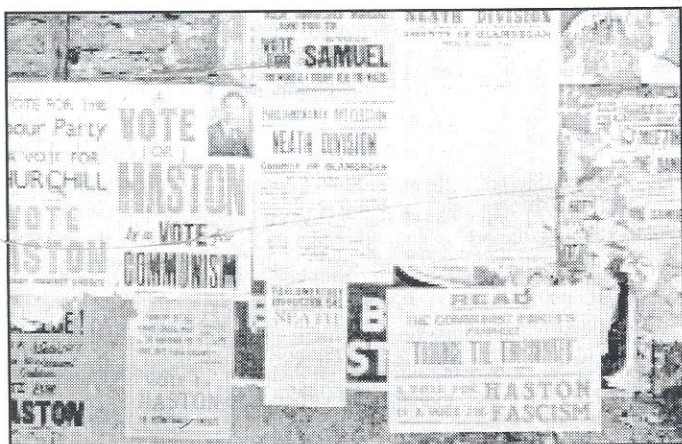
Ted Grant

Over £130 worth of literature - a massive figure in today's terms - was sold in the three months of the campaign. Some 7,500 copies of the special February edition of *Socialist Appeal* were sold - approximately one to every three houses. Hundreds of copies of the "ABC of Trotskyism" were sold, in fact it was sold out, as well as many hundreds of other pamphlets. About 2,000 of each issue of the *Socialist Appeal* were sold and some 30,000 leaflets were distributed. There was chalking, white-washing and billposting, paper selling, canvassing, speaking and endless contact work.

In the *Socialist Appeal* supplement, the party summed up the whole experi-

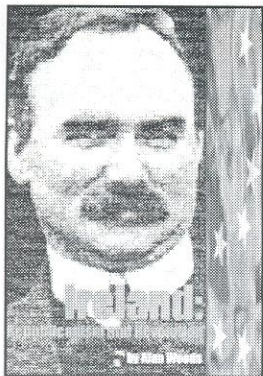
ence: "What is the lasting achievement of the campaign? It can be seen already in the heightening of the political consciousness of organised Labour in this area. To the older generation of workers, embittered and disillusioned by the repeated betrayals of Reformism and Stalinism our campaign for Revolutionary Socialism brought a new inspiration and revived the will to struggle. To the working youth from the mines and the factories, hundreds of whom listened with rapt attention to Comrade Haston and our speakers, our campaign came as a rousing call to prepare themselves by study and understanding for the great class battles of our epoch. Trotskyism has found its roots in Wales. But its richest harvest will be reaped in the years to come. Our campaign has begun the process of unifying the mighty power and fighting capacity of Welsh Labour with the ideas and principles of militant Socialism - of Trotskyism. Out of this combination will be born a new fighting leadership - a tower of strength for the entire working class movement in Britain in the coming struggle for Power.

Although the heroic work of the RCP did not result in the building of a mass Trotskyist party, mainly for objective reasons, the party laid down great traditions. Today, we stand on the shoulders of these comrades who did so much. In particular, the work of comrade Ted Grant, the political secretary of the RCP, has been the unbroken thread of Trotskyism throughout these years to the present day. We can find inspiration for the Neath by-election and the past struggles of the Trotskyist movement. To quote Jock Haston's closing remark to the pre-election mass rally: "Long live the International solidarity of the working class! Workers of all lands unite; you have nothing to lose but your chains. You have a world to win!" ■



For further reading on this subject order a copy of *History of British Trotskyism* today from Socialist Appeal, PO BOX 50525, London E14 6WG enclosing a cheque for £9.99

Or buy online from wellred.marxist.com



Wellred launches new book on Ireland

Wellred Publications is proud to announce the publication of a new book by Alan Woods entitled "Ireland: Republicanism and Revolution". The book is a unique account of the struggle for Irish freedom from its origins in the revolutionary-democratic movement of Wolfe Tone to the present crisis within Republicanism.

The signing of the Good Friday Agreement and the subsequent ceasefire of the Provisional IRA after 30 years of armed struggle raises the question: after so much sacrifice and bloodshed, what has been achieved? Yet this question is being studiously avoided by the leaders of Sinn Féin, who have exchanged the armed struggle for a minister's portfolio. Though they publicly deny it, the unification of Ireland is off the agenda. The strategy, methods and tactics of non-socialist Republicanism have ended in complete disaster.

Marxists have always been in favour of a united Ireland,

but, following in the footsteps of James Connolly, have also understood that this goal can only be achieved as part of the struggle for a socialist Ireland and a socialist Britain. This can only be brought about by class and revolutionary methods. The prior condition is to unite the working class in struggle and to return to the revolutionary traditions and programme of Larkin and Connolly - the programme of the Irish Workers' Republic.

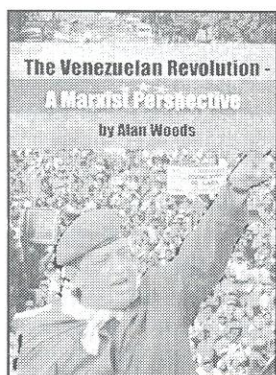
The preface written by Gerry Ruddy, a leading member of the Irish Republican Socialist Party, recommends the book to all Republicans and socialists as a positive contribution to today's debate over the future of Ireland.

"Serious revolutionaries, genuine Marxists, committed Republicans will read this book with thoughtful interest. They will give it the respect it deserves... We firmly believe that if this book by Alan Woods begins a process by which Republicans and socialists return to Connolly and the best ideas of the Irish and international left, then the future struggle for socialism in Ireland will be greatly advanced."

□ Readers of *Socialist Appeal* are being given the offer of purchasing these books at a special introductory price (add 20% p&p):

Ireland: Republicanism and Revolution: £4.99
The Venezuelan Revolution : £5.99

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The Venezuelan Revolution A Marxist Perspective

This book by Alan Woods is essential reading for all those who want to understand what is happening in Venezuela today. But this is no mere description of events. It is a powerful Marxist analysis of the Venezuelan Revolution, its weaknesses and

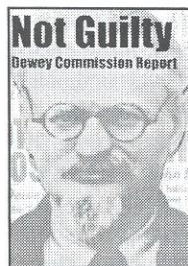
strengths, its contradictions and unique characteristics. The book was not written with hindsight. Every chapter, beginning with the coup of April 2002, was written as the events themselves were unfolding, and trace the winding course of the revolution. They reflect the immediacy and lightning speed of events happening before our very eyes.

Today Latin America is in the vanguard of world revolution-

ary developments and, within the Latin American continent, Venezuela stands out sharply as the country most affected by this process. It would be no exaggeration to say that Venezuela is now the key to the international situation. It therefore follows that the class-conscious workers and youth in Britain and elsewhere must closely follow the events in Venezuela and assist the revolution with every means possible.

Alan Woods has been a consistent champion of the Venezuelan Revolution since its inception. He helped initiate the Hands Off Venezuela Campaign. He has held personal discussions with President Hugo Chávez, which are recounted in this book.

The author concludes that the Venezuelan Revolution cannot stop half-way and holds up the perspective of a victorious socialist transformation. Only by expropriating the power of the oligarchy can it succeed and spread to the rest of the Continent. This is no foreign idea, but in essence is the vision of Simon Bolivar in the context of the 21st century, of the creation of a democratic Socialist Federation of Latin America.



Not Guilty! Dewey Commission Report (1937)

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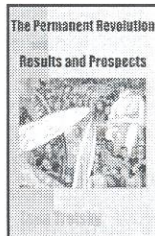


My Life by Leon Trotsky

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Our Price £9.99

The Permanent Revolution by Leon Trotsky



Pub. Date: 2004
 Format: Paperback
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 List Price £9.99

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The struggle of the workers at the CNV - a new Venepal?

by Jorge Martin

THE DECREE of expropriation of Venepal in January this year was a major turning point in the Venezuelan revolution. When Chavez announced the decree, in the Ayacucho room of the presidential palace, the same place where the coup organisers swore in their "president" Pedro Carmona on April 12th, 2002, he made an appeal to "workers' leaders to follow this path". He added, "any factories closed or abandoned, we are going to take them over. All of them."

The decision to nationalise Venepal and put it under the administration of the workers, and the very high profile way in which the decision was taken, was bound to have an impact amongst other groups of workers in the same situation. As part of the relentless campaign of the Venezuelan capitalists against the Chavez government they became engaged in a campaign of economic sabotage. This campaign reached its peak during the bosses' lockout in December 2002 and January 2003. Some factories were closed for up to two months. After the failure of the lockout, soundly defeated by the action of the workers and the massive Bolivarian demonstration on January 23, the bosses tried to make the workers pay the price for the lockout, by not paying their wages, delaying their payment, etc. Some factories were declared bankrupt. In some cases the bankruptcy was genuine (the companies having been ruined by the reckless two month long lockout), in some other cases it was a tool of the economic sabotage against the govern-



ment.

This created a situation in the spring and summer of 2003 of heightened class struggle. In many factories workers organised democratic unions and fought for recognition. The bosses replied with repression, making union organisers redundant, etc. In a number of cases the bosses just declared bankruptcy and abandoned the premises, forcing the workers to occupy them and take them over in order to demand payment of their wages and to defend their jobs and livelihoods. Venepal was the highest profile case, where the workers were better organised. They occupied the factory in July 2003 and ran Venepal under workers' control for 77 days. After an uneasy truce, the bosses abandoned production again in September 2004. The workers occupied again and after more than 4 months of struggle Chavez decreed the expropriation of Venepal under joint management of the workers' and the state (in which the workers' have a majority of represen-

tatives in the company's board).

Occupied Factories

But at the time of the occupation of Venepal in the summer of 2003 there were a number of other factories that were also occupied: Industrial de Perfumes, a perfume making company in Caracas; the textile plant Fenix in Guarico; and the Constructora Nacional de Valvulas in Los Teques, Miranda, a factory that used to produce valves for the state owned oil company PDVSA. There were other similar conflicts at the time, but the workers in these three, together with the Venepal workers, achieved a degree of unity. There were joint meetings and declarations, and two joint demonstrations in Caracas in October 1. Unfortunately, by the time a certain amount of coordination between these different struggles was reached, the conflict in Venepal, which had the largest number of workers, had already been settled.

The movement, in some cases after 4 months of occupation, progressively fizzled out. Tiredness, the need to look for other sources of income, the lack of a clear perspective of a way out of the struggle - with all these factors combined, the number of workers effectively occupying these factories declined, and the struggle basically died out. The leadership of the newly created UNT trade union confederación never put forward a clear plan of struggle. Though solidarity was forthcoming from other unions to the strike fund, there was never a well-organised national campaign in support of the occupied factories.

The nationalisation of Venepal in January this year had the effect of reviving some of these struggles. The first group of workers to re-occupy their factories again was at the CNV in the working class city of Los Teques, in the state of Miranda, right next to Caracas. On February 17, a group of 63 CNV workers decided to take over the installation, and unlike in 2003, when they just set up a picket line outside the installation, this time they occupied the premises (against the advice of a representative of the Ministry of Labour present).

The Constructora Nacional de Valvulas has been producing high-pressure valves for the state owned oil company PDVSA for more than 30 years. The CNV had a monopoly in the sector and was selling overpriced valves to PDVSA, sometimes in unnecessary amounts. This was possible because of the close relationship between the owner of

the CNV, Andres Sosa Pietri and the managers and directors in PDVSA. In fact the relationship was so close (and corrupt) that Sosa Pietri himself in the 1990s became a director of PDVSA. From his position he was awarding his company PDVSA exclusive contracts for the making and maintenance of the industry's high pressure valves.

Sosa Pietri belongs to one of the traditional families of the Venezuelan oligarchy, popularly known as "Los Amos del Valle" ("The Owners of the Valley"). His policy advice for the oil industry was clear. He advocated PDVSA to become a private company, to adopt a "market friendly strategy, withdraw from OPEC, and ally ourselves with our main commercial partners [i.e. the oil multinationals]". It is therefore no surprise that he actively campaigned against the election of Hugo Chavez in 1998, because one of his main promises was to maintain the state owned character of the oil industry and to pursue a policy of strengthening of OPEC in order to achieve higher oil prices. At the head of his own right wing Liberal Party he joined the Democratic Coordinator, the umbrella group of the Venezuelan opposition which went on to organise the coup against Chavez in April 2002, which he wholeheartedly supported.

After the defeat of the coup, he formed yet another political party, called Alliance for Freedom. On December 9th, 2002, as part of the bosses' lockout to overthrow Chavez, he closed down the installations of the CNV, leaving more than 100 working class families without any income. After the failure of the bosses' lockout he refused to pay wages to the workers. After months of struggle and negotiations, in May 2003 a group of workers decided to occupy the entrance to the factory in order to prevent any finished products or machinery from being taken out of the premises. Sosa Pietri went to the tribunals which ruled in his favour. In August 2003 there was an attempt to remove the workers, but thanks to the solidarity of the labour movement and community organisations from the town this was prevented.

The workers have now set up a solidarity committee, and a meeting took place in Los Teques in order to organise solidarity with the struggle. The CNV workers are pointing out that

CNV has a strategic importance from the point of view of the oil industry and that therefore it should be expropriated and put under workers' control and management, so that it can produce valves for PDVSA. The case is clear, the owner of the factory is a participant in the coup in 2002, he closed down the factory during the bosses lockout and has consistently refused to pay the workers the wages they are owed. As with many other workers' struggles taking place in Venezuela today, this is not only a matter of a fight between the workers and the bosses, but it has also a clear political character, of a struggle between the Bolivarian Revolution and the oligarchy, the owners of industry, the land and the banks, that use all possible means at their disposal to sabotage it.

Following the example of Venepal, the CNV should be expropriated under workers' control and management. This is the way forward towards the socialism of the 21st century of which Chavez has been talking.

We appeal to the trade union movement of the world and all those who support the Bolivarian revolution to show their solidarity with the workers of the CNV (in struggle for nearly 2 years now), and to ask the Venezuelan authorities to act decisively to fulfil the just demands of the workers.

Send messages of solidarity to:
coopcnvb@hotmail.com
and copies to
venezuela@elmlitante.org

Please also send messages to the Venezuelan President
presidencia@venezuela.gov.ve

and the Ministry of Labour
dgtrabajo@mintra.gov.ve

(you can use the model resolution proposed by the workers themselves:
http://www.handsoffvenezuela.org/support_cnv_workers.htm)

If you can make a financial donation to the strike fund, please send it to the following account 0039-01-0100309746 Banco Industrial de Venezuela under the name of Jorge Paredes y Rosalio Castro for the Resistance Fund, or contact the Hands Off Venezuela campaign for more details. ■

Stop Press: Ecuador Popular uprising overthrows Lucio Gutierrez

by Miriam Municio

Another Latin American country has risen up in the last few weeks. After the recent mobilisations in Bolivia against president Carlos Mesa for his policies of attacks on the workers, of privatisation and collaboration with the oil multinationals which are plundering the resources of the country, now it is the turn of Ecuador. Lucio Gutierrez, elected with 55.5% of the votes in November 2002, has fallen in the face of the movement of the working masses and peasants. Suspended in mid air for months, with the support of only five MPs in parliament (out of a total of 100), with a derisory 7% of popular support amongst the 13 million inhabitants of the country, clashing with sections of the oligarchy, with the middle classes, and most important of all with the poor masses who have come out onto the streets chanting the slogan "Lucio Out", his fall was a foregone conclusion...

The Ecuadorian masses have won the first round of this struggle. However the aim was not only to remove Lucio Gutierrez from government, but to put an end to the system he represented. This is why it is crucial to continue the mobilisation until all bourgeois politicians are gone. For that the movement has to face the bourgeoisie with an independent programme, which includes, together with the punishment for those involved in corruption and those responsible for the deaths of the last few days, opposition to the readjustment policies and improvement of the living conditions of the masses...

In the working class neighbourhoods of Quito, during the state of emergency, the idea was raised of setting up neighbourhood assemblies which would elect delegates to represent them in a mass meeting or general cabildo. Such neighbourhood assemblies must be set up and spread at local, provincial and national level, so that the mobilisation can be maintained and spread to other layers, so that it can have a unified and coordinated character all over the country. This is the way forward in order to build an alternative workers' power to that of the bourgeoisie. The last word has not been said.

Read the whole article online at
www.marxist.com/Latinam/ecuador_uprising210405.htm

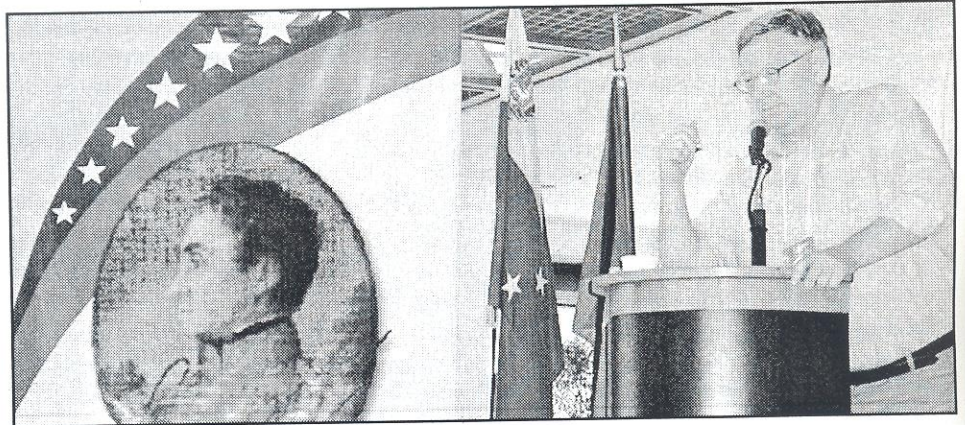
Third International Gathering of Solidarity with the Bolivarian Revolution

by Kelmer Colmenárez
(CMR Caracas)

MORE THAN 500 trade unionists from all over Venezuela have been taking part in a historical meeting over the last three days, together with international guests from a number of countries. As one of those present said, it is not possible to attend a trade union meeting anywhere in the world where Marx, Lenin and Trotsky are quoted so often and where the mood is clearly one of a firm conviction on the part of those present that the aim is to build socialism and that the only way to achieve it is for power to be in the hands of the workers.

The workshop was opened by its coordinator, Marcela Maspero, leader of the National Workers Union (UNT). After that, Alexis Hornebo, a worker elected to the Board of Directors of Invepal, the company previously known as Venepal which was expropriated by the government, went into the details of that historic struggle and how the workers are now organising themselves. Several workers from the electricity company CADAPE, from the oil industry and from the basic industries in Guyana, spoke, explaining the process of co-management and workers' participation that is developing there.

Particularly significant was the intervention of an oil worker comrade from San Tome who explained graphically how the workers took over the running of the oil industry during the bosses' lock-out in December 2002 and January 2003 and how they managed several oil installations through mass meetings, showing that the working class is able to run industry and society. As the comrade explained, at that



time, due to organisational and political weaknesses, and because of the lack of understanding of how this idea can be implemented and the lack of a unified organisation of the workers throughout the country able to put this idea into practice, the opportunity to keep PDVSA - the key company in the country and one of the most important oil companies in the world - under workers' control was wasted.

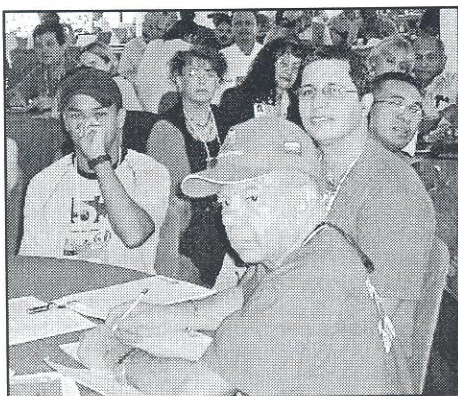
Meeting with PDVSA oil workers

This has allowed a new techno-bureaucracy to develop which has taken control away from the workers, although there is a clear movement amongst the revolutionary vanguard of the oil workers' movement to draw conclusions from this experience and to struggle for the workers to take back control of the industry. In this respect, what is significant is the emergence of the Guiding Committees (organisations channelling political discussion and participation of the most left-wing layers of the workers' movement in the oil industry), the creation of a number of revolutionary political organisations amongst the oil workers - some of them present at the discussions - like Conductores del Pueblo Soberano [Leaders of the Sovereign People] in Maturin, and Opcion Clasista de Trabajadores [Class Struggle Workers' Option] in Anzoategui state, set up by many of the trade unionists from the Class Struggle La Jornada Movement together with other sections who also participated in the taking over of the Puerto La Cruz refinery during the pro-coup

bosses' lock-out.

One of the most striking experiences was that of co-management in the [electricity company] CADAPE. Here the workers mobilised to ensure that this co-management would be a genuine participation of the workers in the running of all aspects of production and this provoked a clash with the managers of the company. One of the interventions that got the most applause was that of Joaquin Osorio, trade union leader of the Electricity Workers' Union of CADAPE, who explained how the co-management models that have been implemented in other countries like Spain, Germany, Argentina, etc., were in general attempts to assimilate the workers' leaders into the capitalist production machine and, in the final analysis, to increase the exploitation of the working class. "We can learn from all those models, but the one we want to develop is a completely new one which we will use to build a different model of society, what we in CADAPE have called Bolivarian socialism, which will transform the capitalist relations of production, and where the workers themselves will have power".

This concept of co-management, which is much closer to workers' control and even to management of state-owned companies by the workers, was the common thread running through the majority of interventions and it enthused the audience. One of the more regular slogans shouted out during the meeting was that of "Sin cogestión no hay revolución" ("Without co-management there is no revolution"). Among the speeches of national and



international speakers that intervened stood out the interventions of Carlos Lanz, theoretician of the Bolivarian left who defines himself as a Marxist and is the current director of the state-owned company ALCASA; Víctor Ríos, leader of the Spanish United Left coalition (IU) and presently advisor to President Chávez; Michael Lebowitz; Serge Goulart (co-ordinator of the Cipla and Interfibra companies taken over in Brazil), and of course, the speech of comrade Alan Woods on Socialism in the 21st century, which once again aroused the enthusiasm of the workers present.

Carlos Lanz stressed that the kind of co-management adopted at ALCASA is not the classic co-management consisting merely of electing the worker directors, but is based on permanent workers' assemblies made up of teams of workers and managers who decide on all matters concerning production (wages, labour conditions and organisation, tendering, etc.). He also warned that the struggle is against the mafia and the oligarchy who continue to control the economy at state and national level, against bureaucracy and against the trade union bureaucracy who continue to oppose the revolutionary process.

Lenin's State and Revolution

Alan Woods listed the conditions for building a workers' state as described by Lenin in *The State and Revolution*: the right to elect and recall at any time all public officials, for these to receive the same wages as a skilled worker, no permanent army but the people in arms organised in workers' and people's militias, and that gradually all bureaucratic and administrative tasks to be carried out in rotation by all the workers.

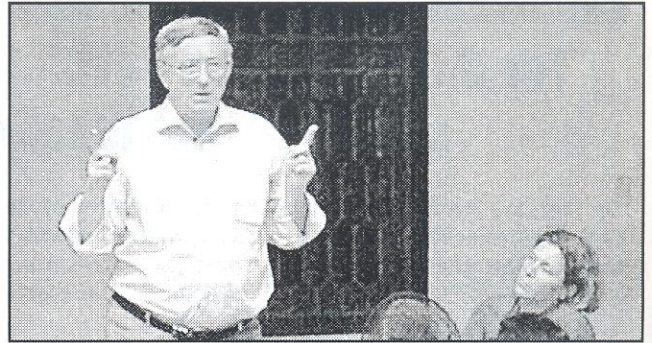
These ideas were enthusiastically applauded by the public. Alan also insisted on the power of the working class and how often it is the lack of awareness of its own strength that prevents the workers from taking power. Here the responsibility of the leadership is key. Its task is to make the workers aware of their strength and not to hold them back or to tell them again and again that they are not powerful enough. Alan reiterated the idea, already explained in other forums and meetings, that the revolution is not yet irreversible, that it is still only half way and that it can only be completed with the nationalisation of the banks, the monop-

lies and the large estates under workers' control and by removing the state apparatus created by the capitalists and replacing it with a workers' state based on the election and recall of all positions. These proposals were received with great enthusiasm by the workers and trade union activists present at the meeting. Alan explained that today more than ever the dilemma is either socialism or barbarism, "either the greatest of victories for the revolution with its spreading internationally or the worst of defeats if the revolution does not go to the very end to genuine socialism".

Víctor Ríos in his intervention quoted extensively from the workers' control decree passed by the Bolsheviks after they took power and also from the interview with Trotsky by a journalist in 1918 on workers' control. He insisted on the need for workers' management understood as the first step towards workers' control, the participation of the workers through assemblies in all decision-making. The interest in these ideas was reflected - apart from the ovations and congratulations received by these two speakers - in the fact that all Trotsky's books and documents that the *Corriente Marxista Revolucionaria* (Revolutionary Marxist Current) had on sale at their stall were practically sold out.

Michael Lebowitz developed further the experience of self-management in the former Yugoslavia and outlined the lessons that could be drawn from it.

A very interesting intervention was that of Serge Goulart's - together with those of other speakers who explained the experience of the occupied factories in Argentina (Eduardo Murúa) or workers' participation in Cuba (Isabel Rauder). Goulart explained how the workers occupied several factories in the Brazilian industrial city of Jointville and how this helped the process of radicalisation, which brought Lula to power. However, now Lula does not want to nationalise these companies, as the workers have demanded. He aims to transform them into co-operatives and he is even trying to use repressive measures against the main leaders of these factory occupations, including Serge himself. The leaders of these factory occupations, who are mainly members of the PT and the CUT, are



organising a campaign to collect signatures at the rank-and-file level of both organisations and are mobilising around the demand for nationalisation under workers' control.

Goulart warned against the use of co-operatives to outsource the workforce, to reduce wages and to worsen working conditions and also warned against the elimination of trade unions in these companies. Several Venezuelan workers intervened along the same lines and warned the Invepal workers against the decision to dissolve the trade unions at the plant, something which is being raised within that company.

The meeting was closed with the intervention of four Venezuelan workers' leaders that represented the main currents within the Bolivarian trade union movement: Pedro Euce (PCV and CUTV), Ramón Machuca (leader of the SIDOR trade union), Luis Priño (Autonomía Sindical, and also a member of the Revolutionary Marxist Current) and Joaquín Osorio (CADAFFE).

At the end, José Angel Rivero outlined the Co-management Bill which the UNT is going to present and the Minister of Labour, María Cristina Iglesias, closed the meeting. She started her intervention by referring to the slogan "empresa paralizada, empresa ocupada y empresa ocupada empresa estatizada" (paralysed company, occupied company and occupied company, nationalised company) raised in Serge Goulart's book on the occupied factories in Brazil.

A reflection of the thirst for ideas and the mood of the gathering was seen in the enthusiasm expressed by everyone attending and the fact that the Marxist literature of the Revolutionary Marxist Current was sold out, with the raising of Bs. 800,000 which will allow us to publish more material. The most widely sold document was our Introduction to Socialism and more in general, anything by Trotsky was most in demand. ■

Alan Woods speaks with Adan Chavez:

"For the Bolivarian Revolution there is no "third way" possible, we must choose socialism"

On Monday April 18th, Adan Chavez, a leader of the Bolivarian movement, elder brother of the President and currently Venezuelan Ambassador in Cuba, invited me to have breakfast with him in La Casona, the traditional residence of Venezuelan presidents. I took the chance to conduct a brief interview with him.

Alan Woods: Could you tell us something about your family? I understand you come from a humble family.

Adan Chavez: That's correct, I am from Barinas state, which is in Los Llanos (the plains), in the Western part of Venezuela. It is an agricultural region, mainly cattle rearing. Dad and Mum were schoolteachers, but they are now retired. Since 1998 my father has been a state governor. We were six brothers, and I was the eldest.

AW: How did you become involved in politics?

ACH: When I was 16 I joined the Revolutionary Left Movement (MIR), a Marxist-Leninist organisation which had links with the Chilean MIR. There I started my political and revolutionary education. But after three years this party started to degenerate, becoming a revisionist party which even split into two factions: one which continued to call itself the MIR and another called New Alternative. I decided not to join either of the two groups. I did not agree with revisionism and I was of the opinion that we needed to build a genuine revolutionary party in contact with the masses.

AW: What did you do then?

ACH: We were a group of youngsters, doing work in the university. We spent more or less a year and a half like that, until we joined another party, the Party of the Venezuelan Revolution (PRV). This party was working underground and was led by commander Douglas Bravo, the famous guerrilla. We conducted urban guerrilla work. But because of its clandestine character this party did not have contact with the masses. Furthermore they were very dogmatic and sectarian. Like the MIR, it split and ended up disappearing. In order to achieve a revolutionary popular movement, which would allow the taking of power, one had to have a strong influence within the popular masses and have support within the Armed Forces.

It was at that time that my brother Hugo was serving in the National Armed Forces as a young officer. A small group of officers who were unhappy about the situation in the country and who thought that

something had to be done to change it was set up. These were progressive and patriotic army men. I informed the leadership of the party of the existence of my brother. In this way contacts were established between the two sides. Hugo Chavez also had other contacts with other left groups. Though finally the PRV disappeared, one must give it credit for this. Once again I was left with no concrete membership, but we kept in touch with the patriotic officers giving them any support we could. A civilian-military movement was consolidated, the Bolivarian Revolutionary Movement 200 (MBR-200). They were reading, discussing and finally decided that they had to rescue the revolutionary ideas of Simon Bolivar, Simon Rodriguez and Ezequiel Zamora.

AW: But you are Marxist?

ACH: Of course.

AW: So, how do you see the role of Marxism in the Bolivarian revolution?

ACH: In the same way that we have reclaimed the ideas of Bolivar, Rodriguez and Zamora, I think that we must reclaim the genuine ideas of Marxism, applying them correctly to our society. The scientific method of Marxism is a necessity. We are a movement based on the "principles of the tree of the three roots": Simon Bolivar, Simon Rodriguez and Ezequiel Zamora. But if you read these principles you will soon understand that they are not at all in contradiction with Marxism, they defend the principles of democracy, equality and humanity.

AW: And these principles, can they be carried out under the capitalist system?

ACH: I personally think they cannot. And President Chavez has said in the last few months that capitalism is slavery and that the Bolivarian revolution must go towards socialism. This conclusion is not by chance. It is the product of many discussions, many experiences and an in-depth analysis of the situation. The President used to consider the option of the so-called "Third Way" - a way between capitalism and socialism. We examined that and, as the President said, we have

realised that for the Bolivarian revolution there is no third way possible, we must choose the way of socialism. This does not mean we are going to import other models from outside. Socialism is a system in which man is above Capital. That is clear. But we must adapt the ideas of socialism to the concrete conditions.

AW: I believe you are reading my book "Reason in Revolt". Can you give me your opinion on it? You can speak with complete sincerity!

ACH: I think it is an excellent book. I have not finished it yet, but my impression is that it is a rigorous Marxist analysis of philosophy applied to nature. I am a physicist, and this seems extraordinarily interesting to me. I am interested above all in what you write about the origins of the universe - a subject I have always been passionate about, and which unfortunately I have abandoned.

AW: The Cuban edition of "Reason in Revolt" is just being prepared. I hope you will help me launch it.

ACH: That would be a great honour and a pleasure.

AW: You know that we have organised a campaign in solidarity with the revolution called "Hands off Venezuela", which is now active in more than 30 countries all over the world. What do you think of this?

ACH: I think it is a very important initiative. I see that you are fighting to counter the media campaign of lies against the Bolivarian revolution. I think that the "Hands Off" campaign, apart from solidarity, is also an attempt to integrate the different peoples of the world, and that deserves a lot of support.

AW: Finally, do you have any message for the supporters of "Hands Off Venezuela"?

ACH: First of all, I recognise the invaluable work of the "Hands Off Venezuela" campaign. I appeal to you to go forward, be sure that this work will give important fruits in the end. My message is one of optimism and hope, fighting all united for the same cause. ■

Marxist MP and thousands of PPP activists arrested by Pakistani dictatorship:

Arrests and release demonstrate regime's weakness

by Hina Zain in Pakistan

DURING THE night of 15th April the Pakistani dictatorship, in a brutal crackdown, arrested thousands of PPP workers who were preparing to hold a mass rally to welcome Asif Ali Zardari, spouse of the PPP Chairperson, at Lahore airport.

The crackdown had started several days earlier. Several trains from Karachi and other parts of the Sindh were cancelled and the borders of the Punjab province were sealed. This has exposed the so-called enlightened moderation of the Musharraf dictatorship which is a close ally of US and British imperialism.

This savage repression also exposed the fragile nature of this regime. It is terrified of a mass explosion due to its drastic anti-working class and anti-people policies being carried out at the behest of the IMF and the World Bank. The regime was afraid that this welcome rally might become the starting point of the movement that could lead to the overthrow of this pro-imperialist dictatorship.

Comrade Manzoor Ahmed, president of the PTUDC and Member of Parliament, was arrested along with several other PPP MPs as they were on their way to Lahore airport in the early hours of Saturday April 16. Other MPs who were arrested are CH. Aitezaz Ehsan, Raja Pervaiz Ashraf, Imtiaz Safdar, Shamshad Sattar, Dr Fehmida Mirza, Qamar-uz-Zaman Kaira, Zulfiqar Ali Gondal, Tasneem Ahmed Qureshi, Nayyer Bukhari, Zamurrad Khan, Shehry Rehman, Mutaza Satti, Fouzia Habib, Samina Khalid Ghorki, Shagufta Bukhari, Naheed Khan, Safder Abbasi and many others. The veteran PPP left wing leader Ghulam Abbas was also arrested. Some female parliamentarians including Fozia Malik, Ferzana Raja, and Uzma Bukhari were severely beaten up by the police and are now hospitalized due to their injuries.

Such is the ruthless repression of this regime that even small schoolchildren aged 8, 9 and 10 have been arrested in this crackdown. The police custody cells

are so crowded that the detainees are forced to stand up, as there is no room to sit. This is an act of cowardice and shows that the regime is on its last legs. Hence the desperate attempt to crush a rising tide of political revolt.

Comrade Manzoor Ahmed and other PPP leaders have vowed to continue the struggle till the overthrow of this regime and the rotten capitalist system it defends and represents. In their message from prison these parliamentarians said that such brutal acts cannot deter them, but paradoxically will expose the real character of this regime and provoke a revolutionary upsurge.

They appealed to the workers, youth, and masses to support them in this episode of class struggle being launched in Pakistan. An Injury to One is An Injury to All!

All Released

At 2am on the 17th April, comrade Manzoor Ahmed was released thanks to the intense pressure from below and also the internal weakness of the regime itself. These mass arrests were in fact an expression of the extreme weakness of the regime, not its strength.

As we explained, thousands of workers were detained in different cities all over Pakistan simply because they wanted to come to Lahore for the planned rally. The arrests were widely covered in the Pakistani media. On Saturday, April 16, the main television channel of Pakistan, GEO television, showed live footage of comrade Manzoor confronting the police who were trying to arrest him on the road to Lahore airport. This footage was shown repeatedly several times during the course of the day.

The next day, Sunday 17, in the main newspaper, there was a central news item giving details about how comrade Manzoor and some other MPs, Ch. Iteaz Ehsan, Raja Pervaiz Ashraf, Qamar-uz-Zaman Kaira, Zulfiqar Ali Gondal, Zamurrad Khan and Nayyer



Bukhari had refused to be released at 7pm. They stated that they would refuse to be released so long as even one party activist or worker remained in detention.

As a result they were able to build up so much pressure that the regime had to release each and every worker arrested in connection with the planned rally. Hence comrade Manzoor was the last person to come out of the prison.

This time the regime managed to stop the rally that was planned at Lahore airport to welcome Asif Ali Zardari, the husband of the PPP Chairperson Benazir Bhutto. As the regime becomes weaker, it is clear that the PPP is becoming once more a point of reference for the masses in Pakistan. In spite of his past record, even a figure like Asif Ali Zardari, can become a focal point for the downtrodden masses of Pakistan. The military dictator, Musharraf, was worried that a mass rally gathering at Lahore airport could have sparked off a much wider movement.

These methods, however, can delay the moment of reckoning for the regime, but they cannot save it from its inevitable doom. The masses will move against the regime, and the Marxists, with leading figures such as comrade Manzoor, will play a key role in the process. ■

Saddam, Bush and Blair statues toppled by mass demonstration

by Rob Lyon

IN WHAT was probably the largest demonstration in Iraq since the US invasion in 2003, hundreds of thousands of Iraqis marched in Baghdad this past Saturday to demonstrate against the US occupation. While most bourgeois news agencies were focused on the wedding of Prince Charles and what's-her-name, The LA Times did report that some 300,000 people filled the streets of Baghdad (most other news agencies, if they reported the demonstration at all, claimed that there were "thousands"). The demonstration, organized by followers of Muqtada al-Sadr and held on the second anniversary of the collapse of the Saddam Hussein regime, filled the capital's al-Fardous square with chants of "No to America," and "No to the occupation".

The demonstrators demanded that the US government set a timetable for the withdrawal of the occupation forces, and that the US release an estimated 1,500 to 2,000 Sadrist in prison, as well as demanding that the "American agent" Saddam Hussein be brought to trial as quickly as possible. Protesters and al-Sadr's aides have said that the US is delaying the trial of Saddam in order to cover up the relationship that the US had with him in the past. The demonstration also demanded an end to the terrorist attacks that have plagued the country and called for the killing of Iraqis by Iraqis to end.

The Propaganda War

The US is desperate to clean up the image of the occupation forces in Iraq and foster the myth that they really are

the liberators of Iraq. They want to put the whole messy, and certainly embarrassing business of Abu-Ghraib and the massacre of Fallujah behind them. The Washington Post recently published an article about a new "hit" Iraqi television programme called "Terrorism in the Hands of Justice"

The programme is broadcast on Al-Iraqiya, a state-run network set up by the U.S. occupation authority in 2003. As the Post explained "Iraq's hottest new television program is a reality show. But the players are not there by choice. And they don't win big bucks, a new spouse or a dream job. Instead, all the characters on 'Terrorism in the Hands of Justice' are captured suspected insurgents. And for more than a month, they have been riveting viewers with tales of how they killed, kidnapped, raped or beheaded other Iraqis, usually for a few hundred dollars per victim".

The Post then explains how the programme is structured: "Seated before an Iraqi flag, the dejected and cowed prisoners answer questions from an off-camera inquisitor

who mocks their behavior. Some sport bruised faces and black eyes. Far from appearing to be confident heroes battling U.S. occupation, they come across as gangsters.

"I watch the show every night, and I wait for it patiently, because it is very revealing," said Abdul Kareem Abdulla, 42, a Baghdad shop owner. "For the first time, we saw those who claim to be jihadists as simple \$50 murderers who would do everything in the name of Islam. Our religion is too lofty, noble and humane to have such thugs and killers. I wish they would hang them now, and in the same place where they did their crimes. They should never be given any mercy".

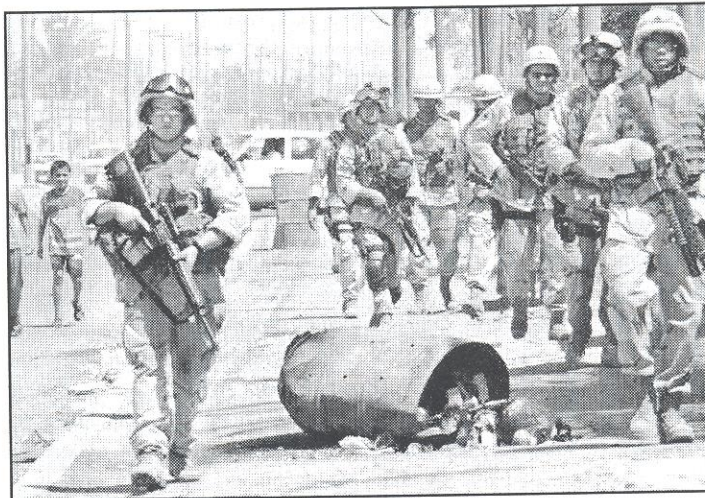
Prisoners on the programme appear beaten and bruised, and one prisoner died in custody after his appearance on the show. The insurgents are portrayed as criminals, rapists, and Islamic fundamentalists who kill for \$200 a victim. One Iraqi man on a weblog has said of the programme (which you can find here):

"Our new 'national' channels are a joke. One of the

most amusing, in a gruesome sort of way, is Al-Iraqiya. It's said to be American sponsored but the attitude is decidedly pro-Iran, anti-Sunni. There's a program where they parade 'terrorists' on screen for us to see in an attempt to show us that our National Guard are not only good at raiding homes and harassing people in the streets. The funny thing about the terrorists is that the majority of them have "Sunni" names like Omar and Othman, etc. They admit to doing things such as having sexual intercourse in mosques and raping women and the whole show is disgusting. Iraqis don't believe it because it's so obviously produced to support the American definition of the Iraqi, Sunni, Islamic fanatic that it is embarrassing. Couldn't the PSYOPS people come up with anything more subtle?"

The Washington Post even stated: "At times, the insurgents appear to be parroting packaged answers, and critics of the program say the prisoners' stories fit well with the government's portrait of the insurgency: that it is in large part a bunch of greedy criminals run amok, that foreigners play a big role and that funding is coming from neighboring Syria and Saudi Arabia."

The programme is designed to show that the insurgency is not a national struggle for liberation against an imperialist occupation, but that it is the work of a small group of Islamic fundamentalists mainly from the Sunni population, who receive financing and assistance from former Baathists and foreign extremists in Syria in order to struggle against "democracy" and a



"free Iraq". While it is clear that some of the attacks on the occupation forces as well as the taking of hostages has been carried out by Islamic fundamentalist terrorist groups, this is however not the defining characteristic of the opposition to the occupation nor the armed insurgency. The insurgency is in fact a struggle of national liberation, made up of people from all segments of the population, and most groups and people involved in the insurgency are opposed to the terrorist and fundamentalist groups and their horrific acts.

The demonstration this past Saturday destroys the US portrait of the opposition to the occupation. The demonstration clearly highlights the widespread anger at the imperialist occupation, as well as the anger and frustration many Iraqis feel about the severe social and economic crisis. Many Iraqis are angry at high unemployment and the lack of basic services, such as electricity, water, health and education. Most Iraqis can see that the root of all their problems is the devastating war and the occupation of their country by imperialist troops - they want peace, stability, jobs and basic services. The BBC published an article on April 5 titled Iraq blighted by poor services. This article reveals the true situation of the masses, and exposes the real consequences of the war:

"Two years since the fall of Baghdad, there is deep frustration amongst Iraqis at the state of public services.

"Stagnant water lies on the street in Baghdad's Sadr city. There are continuing power cuts in much of the country and hospitals struggle to provide adequate treatment.

"Sewage often pours untreated into rivers which many Iraqis have to drink from.

"Look around the Iraqi capital, and the most obvious change over the past two years

has been the mushrooming of concrete anti-blast barriers.

"In most areas there is little visible sign of reconstruction and residents across the city have power for half the day at most.

"[...] Electricity workers recently held a demonstration to denounce violence and sabotage [...] The Americans have allocated \$18.4bn dollars for reconstruction in Iraq, but Mr Misocni says more than 70% of the money his ministry was originally granted has now been reallocated to spending on defence and security.

"Iraq can't now produce all of the drinking water it needs. 'Our people are drinking water either directly from rivers or wells, even the so-called treated water or clean water is not actually clean,' says Mr Misocni [of the public works ministry]. 'It is contaminated with sewage water.'

"And that means children, in particular, are getting sick. Preventable diseases are killing people here, two years since the war."

This situation underlines what Marxists always said, that in the final analysis, socialism is a question of bread. The new regime in Iraq cannot even provide the basic necessities of life for most Iraqis. Iraqis want to have their own government and run their own country - not to be held at gunpoint by US and UK military forces. The anger and frustration that most Iraqis feel is beginning to swell, as expressed by the mass demonstration over the weekend, and this movement will only continue to grow as the problems facing the masses go unresolved.

End the Occupation

Choosing to have the demonstration in the al-Fardous square was no accident. Following the capture of Baghdad two years ago, the US staged the toppling of a

Saddam Hussein statue in the same square for international media cameras.

Demonstrators on Saturday openly mocked this piece of poorly pulled-off propaganda by burning and toppling effigies of Bush, Blair and Saddam.

"Two years ago we had such a feeling of delight,' said Majed al-Tarfi, a Farsi language professor at the University of Baghdad. "We had such great hope that the opponents of Saddam would present a strong alternative. Now we are living amid terrorism and fear of armed soldiers who do not distinguish among innocent civilians, terrorists and honest resistance fighters." (*Kansas City Star*, April 9, 2005)

The toppling of the effigies of Saddam, Bush, and Blair is significant, and shows that the Iraqi people consider that these men represent and stand for the same thing. Aside from the fact that Saddam was backed and armed by the US and the UK until the first Gulf War, Iraqis can see that the dictatorship of Saddam has been replaced by the dictatorship of the US occupation forces. How much has actually changed? Most former Baathists remain in the state bureaucracy and in important positions throughout the country. The torture and abuse handed out by Saddam's regime is now delivered by US soldiers and the new Iraqi police forces. The social conditions in the country, devastated by 10 years of economic sanctions, are now even worse than before the war. Saddam is considered an "American agent" because they can see that there is not much difference between the Saddam regime and the US occupation. The Iraqi people can see that the forces of imperialism, and that capitalism whether it be of the Saddam or US variety, have brought them nothing but misery and suffering.

The Sadrist, who fought against US troops throughout most of last year, said that they would continue to organize street demonstrations and acts of civil disobedience against the occupation. They are hoping to build a movement of significant size and power to be able to put pressure on the newly-established Iraqi parliament to introduce a motion for a pull-out of imperialist troops.

Although they have been largely quiet since the informal truce with US forces last year, the Mahdi Army militia (Sadrist militia) is still active and is in fact the only armed power in certain Shia areas of the country. The demonstrators on Saturday, contrary to previous protests, were not armed. Sadrist leaders say while they retain the right to take up arms against foreign troops in Iraq, the political tide is against armed opposition, with a majority of Iraq's Shia believing an elected government will eventually be able to negotiate the withdrawal of the occupier.

"We support all forms of resistance, political or military... but we take into account what is appropriate at different stages," said Jalil al-Shimmari, spokesman for the Sadrist political office, and an organiser of Saturday's demonstration". (*Financial Times*, April 10, 2005)

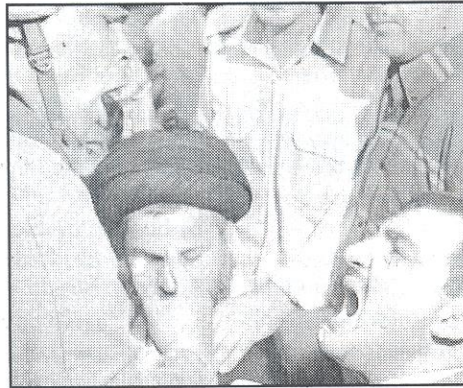
Whether the present tactics of the Sadrists will work out the way they hope they will is another matter. They have widespread support amongst the urban poor in Baghdad, and control entire areas of the city. There were also some two-dozen National Assembly members present at the rally. However, the largest bloc in the new Iraqi parliament, the Shia-dominated United Iraqi Alliance, initially made calls for a withdrawal timetable of occupation forces in its electoral platform, although it has since dropped this demand. Furthermore Ibrahim al-Jaafari, Iraq's prime minister-

designate and UIA member said last week that Iraq still required the presence of multinational forces. This is obviously due to pressure from the US and the UK, who continue to say, "Our troops will come home when Iraq is capable of defending herself".

The new Iraqi "government" is more than aware that it relies on the support of the occupation forces. No amount of pressure from Sadr's social movement will convince the government to ask its only source of defence and source of power to leave the country. Nearly two and a half months after the "elections", the new National Assembly has just chosen a president, and a prime minister. But the intrigues of the various parties and national groups have delayed the formation of a cabinet. In the absence of any actual governing, or means of enforcing its laws, the government depends on the power of the US military forces. A new constitution is to be drafted by August, but it seems that all the backroom deal making and wrangling may make that impossible. There are also massive hurdles to overcome in writing the constitution. There are various disputes and battles between Islamists and secularists, as well as disagreements between the various national and ethnic groups.

Muhsen al-Sadr himself was in Iraq on April 12 and pressed the government to avoid delays in writing the constitution and defeating the insurgency. He also urged them against corruption and incompetence. Why? Because the imperialists can see that a layer of the Iraqi masses look to the government with hope. They have adopted a "wait and see" attitude to government, and hope that it will fulfil their aspirations for genuine democracy and improvements in their lives. If the government descends into sectarian and bureaucratic wrangling and infighting, and its corruption becomes commonplace and well known, then the people will turn from the government and look to other forces to deliver what they want. This will inevitably mean the strengthening of the insurgency and weakening of the government, and drag the US further and further into the quagmire.

Muhsen al-Sadr is in fact betraying his own base of support. Sadr's movement began as a social welfare movement centred around the mosques in the poorest areas of Baghdad and elsewhere. With the occupation of the country he then moved to a position of armed struggle against what he himself called a sham



government, a puppet government that was in reality the stooge of the US occupation forces. Now he wants to build a peaceful movement, capable of putting pressure on the government to negotiate with the imperialists. This is because he wants to transform his movement into a political party and engage in "dialogue" with the government. He talks about building stability in Iraq and strengthening the government - but only to create the conditions under which he can build himself a position of power based on a large movement of the poor and downtrodden. The anger and frustration of the masses will be used to launch Sadr's thrust for power and "legitimacy". Whereas in the past he used every opportunity to expose the government for being under the thumb of the imperialists, he is now actively building illusions in the "government" and in "democracy" in Iraq.

In the end, the hopes of the majority of Iraq's Shia population that the "elected government" will be able to negotiate the withdrawal of occupation troops will be smashed. Their hopes for stability and an improvement in their living conditions will not come to fruition. The "elected government" is extremely weak, and entirely dependent on the occupation forces. With the increasing polarization of Iraqi society and increased pressure for the removal of the imperialist troops the government will come under enormous pressure from all sides. They will come under intense pressure from the armed resistance and from the popular movement against the occupation to call for the withdrawal of US and UK forces. Being weak, and unable to enforce their rule and their laws, and unable to resist the growing movements, both armed and unarmed, the "elected government" will be driven further into the open arms of the forces of imperialism. They will be forced to rely more and more on the US military for support - even to attempt to crush a mass opposition movement if need be. Even at this demonstra-

tion on Saturday, US forces "monitored" the protest from nearby rooftops - ready to shoot if things got out of hand. More and more of this will be seen in the future, and as the government loses more and more support from the population it will be forced to quell demonstrations.

The government will be exposed as a sham and the "democracy" of Iraq will be exposed as a farce, behind which lies the forces of imperialism. This will only increase the anger and frustration of the Iraqi masses, and drive them further into open opposition against the so-called government and the forces of imperialism. The Iraqi workers cannot rely on the government to negotiate anything for them in their name. They can only rely on their own forces and their organizations. The role of the government will create a growing, and increasingly radical opposition movement, which will inevitably call for the overthrow of the "government" and for the establishment of a genuine Iraqi government free from the control of the occupation forces.

Revolutionary Potential

There is huge potential for a revolutionary movement to be built in Iraq. A revolutionary socialist movement of the working class could unite the resistance movement, lead to the overthrow of the puppet regime, rid the country of the occupation forces and establish a regime of genuine democracy and socialism. Unfortunately, most of the Iraqi labour leaders and the Iraqi Communist Party are collaborating with the government and the imperialists. The other communist and socialist organizations are not leading the resistance movement either. The political vacuum has been filled by Islamic clerics and others, who are now actively betraying the movement and leading it down safe routes - building illusions in the so-called "elected democratic government" and imperialism. The anger of the masses, as expressed this past Saturday will continue to grow and develop. The masses are yearning for change and an improvement in their lives, and by giving a militant socialist and working class perspective the Iraqi Communists could transform the entire situation and lead a united resistance movement to the occupation. A revolutionary struggle against imperialism and capitalism in Iraq would become a point of reference and inspiration for workers of the entire region and the whole world. ■

Socialist priest speaks out after Pope's death

by Erik Demeester

Erik Demeester interviewed Remi Verwimp, an activist and a priest who belongs to a group called Christians for Socialism in Belgium inspired by liberation theology and Marxist ideas. The interview took place before the man dubbed The Enforcer - Cardinal Ratzinger - was appointed as the new Pope.

REMI WANTED to put the last months of suffering of the Pope into a broader perspective.

"The two month long agony of the Pope and the media hype around it is a great *mise en scène* designed to identify his suffering with that of Jesus Christ. But that is wrong. The suffering of John Paul II and that of Jesus have nothing in common. The Pope suffered and died from illness and old age. Jesus suffered as a result of his resistance against an oppressor, the Roman Empire. Jesus did not just die. He was arrested, tortured and finally murdered because he rose up against all forms of exploitation. Jesus was killed for his beliefs and his actions! What a difference with this man who just passed away. Those last months of *mise en scène* are very typical of the theological policy of the Vatican that is built around the figure of the suffering Jesus. The political dimension of a Jesus who struggled against oppression and injustice is put in the shadow. In its stead we have a mysticism that can be applied to whatever form of physical suffering. Jesus' example is being depoliticised."

Asked to explain how we should interpret the mass gatherings of Catholic worshippers in front of the Vatican, Remi notes:

"Many people have been alienated by the Church as an institution and by its practices. On the other hand those massive gatherings and mourning all over the world cannot simply be explained with the media hype. Today there is a deep quest for spirituality and religion in the world. People are looking for shelter and a meaning to life. We live in a society where people feel isolated and abandoned. The searching man or woman does not find an answer. They are looking for strong figures and personalities. John Paul II seemed to give an answer to those people. In that sense religion is the opium of the people. This poses the question on how to deal with religion. We know that religion is used - and that is what the Pope has been doing - to wrap a nice, beautiful

but protective veil around the edifice of power, dictatorship and injustice. It is used to cover up structural injustice."

Remi does not doubt for one minute that the Pope's activities were very political and right wing, if not reactionary:

"During his pontificate the Pope had established under his direct initiative some 123 different religious organisations that are all right-wing, conservative and reactionary. Some are linked to Opus Dei but others have their own dynamic like the Egidius community, the Tiberiades and so many others. They are based on small communities and preach a fundamentalist interpretation of the Bible. Their aim, which is also the Pope's aim, is to replace the old territorial structures - parishes for instance - of the Church that are now experiencing a general emptying out. The fact that John Paul II refused access to the clergy for women also strengthens this tendency. Meanwhile the 123 new right-wing religious groups receive all the necessary aid. Those are the groups who also organise those world events of young people called World Days of the Youth around the figure of the Pope. We should nevertheless not be impressed by those gatherings. The media presents them as the proof that the Pope is loved by young people. It is not difficult to obtain this result of massive turnouts if those 123 organisations from all over the world come together at one place. Of course even amongst those circles of young and mostly right-wing people there is a desire for spirituality in a world full of insecurity and uncertainty."

Reactionary Objectives

"Those reactionary objectives of the Pope are more sharply revealed in his early alliance with the American President Ronald Reagan. When he became president he published the so-called Santa Fe document. This was in 1980. It was a policy report on National Security based on the situation in Latin America. Part of the measures elaborated in this document to combat 'Evil

Communism' in Latin America was to oppose the Christian rank and file groups who preached liberation theology. The Pope and Ronald Reagan were in complete accord on the objectives. John Paul II succeeded to marginalize during his pontificate the numerous supporters of liberation theology through a policy of appointments of right-wing clergymen and repression against people like Ernesto Cardenal, the priest who was a minister in the first revolutionary Sandinista government in Nicaragua in 1979. This situation made it very difficult for groups like Christians for Socialism to develop their work. It had a very negative effect."

"It is true that the Pope also condemned the foreign debt of the poorest countries and that he favoured the cancellation of those debts. He also criticised the war in Iraq, but this was probably a tactic to protect the small Christian community in that country. Yes, he has even criticised capitalism but only its outer forms, the symptoms, and the consequences. He never really condemned the capitalist system as such. He took a very different attitude in relation to the regimes in Poland and the Soviet Union. If you believed the media, you would think that the Pope pulled down the Berlin wall single-handedly! John Paul II considered communism as the worst sort of atheism, which had to be combated fervently. That determined his support for the leadership of Solidarnosc, the Polish trade union that fought the Polish regime. This Pope was a very right-wing political leader of the Catholic Church."

What about the new Pope?

"I expect nothing from a new Pope, except that he will continue and strengthen the right wing and conservative legacy of John Paul II. There can be no doubt about it. We on our side as critical Christians need to go and rediscover the Bible. Our Bible has been expropriated of its content as an instrument of the poor and the dispossessed in the struggle against injustice. Of course we nourish our inspiration from other currents such as the socialist ones. Nevertheless we have to reclaim Jesus as someone who struggled against the institutions and the structures of oppression". ■

fighting fund

OVER £4,000 IN- LET'S BUILD ON THAT!

DURING THE election some of you will, no doubt, have been out canvassing. You may also have had someone knocking on your door trying to get your own vote. Usually the presence of a Vote Labour poster in the window puts a stop on anyone calling on me but last week it happened! A presumably rather short-sighted Tory dared to darken my doorstep. Unfortunately I was out so was unable to give them a piece of my mind but I was told that the guy still thought he could get our vote. No (expletive deleted) way but all this doesn't say much for the record of the New Labour government. After two successive terms of Labour in power, backed with huge majorities, the Tories should have been too demoralised to even show their miserable faces. Yet the reality is that the last eight years have been a great let down for workers and youth especially. At the time of writing I have no idea who will win on May 5th although all the opinion polls point to a Labour victory of some sort - but not a victory based on the sort of policies either ourselves or, for that matter, most Labour voters would want. The fact is that Labour may well win despite itself. There is little enthusiasm either amongst the activists or the voters at large.

So perhaps the question should not be who are you voting for on May 5th but rather what are you going to do about it on May 6th? Whoever has won, the task remains the same - fighting to clear the Tory infiltrators out of the Labour Party and rearming it instead with socialist policies. It has always been clear that the long term consequences of

unchecked Blairism would be a Tory revival. It is to be hoped that revulsion against their right-wing, reactionary and, above all, racist campaign has pushed them back enough to keep Howard out of Number 10 this time. But we can delay no longer. The task of voices like Socialist Appeal is to organise the movement to take control of its own organisations, both the unions and the Labour Party so that they represent the interests of our class not the profiteers of the City of London.

But we need your help - both physical and, yes, financial. Our fighting fund is essential to keep the work going. April was a good month for us - over £4,000 has been raised from sellers and readers in both donations and pledges. Too many people this time to thank you individually but well done to you all. Now let's keep it going in the fight for socialist policies and a leadership in the movement prepared to fight for them.

You can donate in a number of ways. Using your credit card by going to www.marxist.com, by cheque or postal order (made payable to Socialist Appeal) sent to us at PO Box 50525, London E14 6WG, by cash at any post office using transcash into Girobank account 56 252 8601, or my making a regular standing order - write or e-mail us on that one and we will send you a form you can give to your bank. Which either way you choose the result will be the same - practical assistance in working for a better future for all.

Steve Jones


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notice board

May 2005

Labour Representation Committee

'Time for Real Labour' - A post-election conference for the Labour Left

10am - 4pm, Saturday 16th July, 2005

TUC Congress House, Great Russell St, London WC1

Nearest Tube: Tottenham Court Road

Speakers Include: Tony Benn, Jeremy Corbyn, Jeremy Dear and Paul Mackney.

Look out for *Hands Off Venezuela* meetings at this year's trade union conferences. In May there will be fringe meetings at Amicus in Brighton, the FBU in Southport, and NATFHE in Eastbourne. Ask your *Socialist Appeal* seller for details of times and venues.

Wellred Books on line at wellred.marxist.com

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.

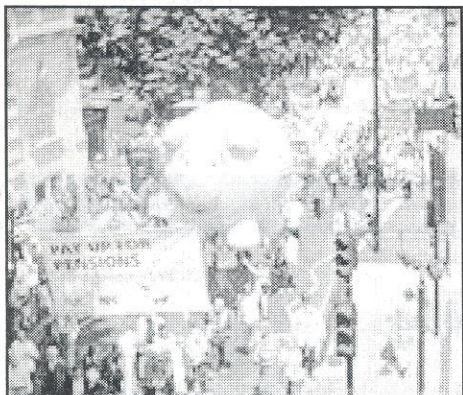
✎ **Socialist internationalism.** No to the bosses European Union. Yes to a socialist united states of Europe, as part of a world socialist federation.

Socialist Appeal

Marxist voice of the labour movement



Militant Action Needed to Defend Our Pensions



AT THE BEGINNING of April, in the run-up to the election, the government was faced with the prospect of a 24-hour strike of a million workers over pensions. The government panicked at the eleventh hour and buckled in the face of action by the

civil service and local government workers. The attacks on pensions would have cut the quality of the payout and raised the retirement age. This was to have been the opening shot in the government's attack on public sector pensions.

The Labour government was surprised by the groundswell in the mood for action that has stirred the depths and extended to even normally quite moderate layers. This was expressed by the massive votes in favour of action in all the unions taking part in sharp contrast with the lack of a turnout in the general election.

As we explained at the time this is not the end of the matter. Pension cuts will be back on the agenda after the election when the Blairites come back with all their short-sighted bravado about belt tightening. It now looks as though they may be forced to put off any changes in their schemes till next year when similar changes are due for most of the rest of the public sector.

At the behest of their friends and masters in the city of London, one by one they are destroying the conditions that our forefathers fought for. Now they say that they cannot afford to pay decent pensions. All the development of the past 10 years, during which time they were raking in profits, they still cannot afford for pensions to stand still? Why are

we the first generation since World War Two to face a decline in our pensions?

During the 80s and 90s under Tory governments the pension funds took contribution holidays - that is one of the reasons they are short now - this was a crisis created by the bosses but as usual they will try to make the workers pay for it.

They are now talking about negotiations, that is because they have been backed into a corner. It is unlikely that they will be up for serious negotiation when the time comes. Nonetheless we must take them up on their offer but no compromises should be made. We must show the employers that we mean business - negotiations must be undertaken from a position of strength, the unions must be prepared to express the clear will of their members to take action to defend their pensions - including calling a national strike of all public sector workers.

Ultimately this battle must be fought politically as well as industrially, which will mean taking the struggle to the Blairites in the Labour Party. Only a Labour government with socialist policies along with militant trade unions fighting for their members can ensure everyone dignity and rest in retirement.

- Oppose any rise in retirement age. The right to retirement for all at 50.**
- Defend occupational pensions - any short-falls take them back from the bosses.**
- For a full living state pension for all, index linked to earnings.**
- Labour must break with the City of London and start carrying out policies in workers interests.**

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