

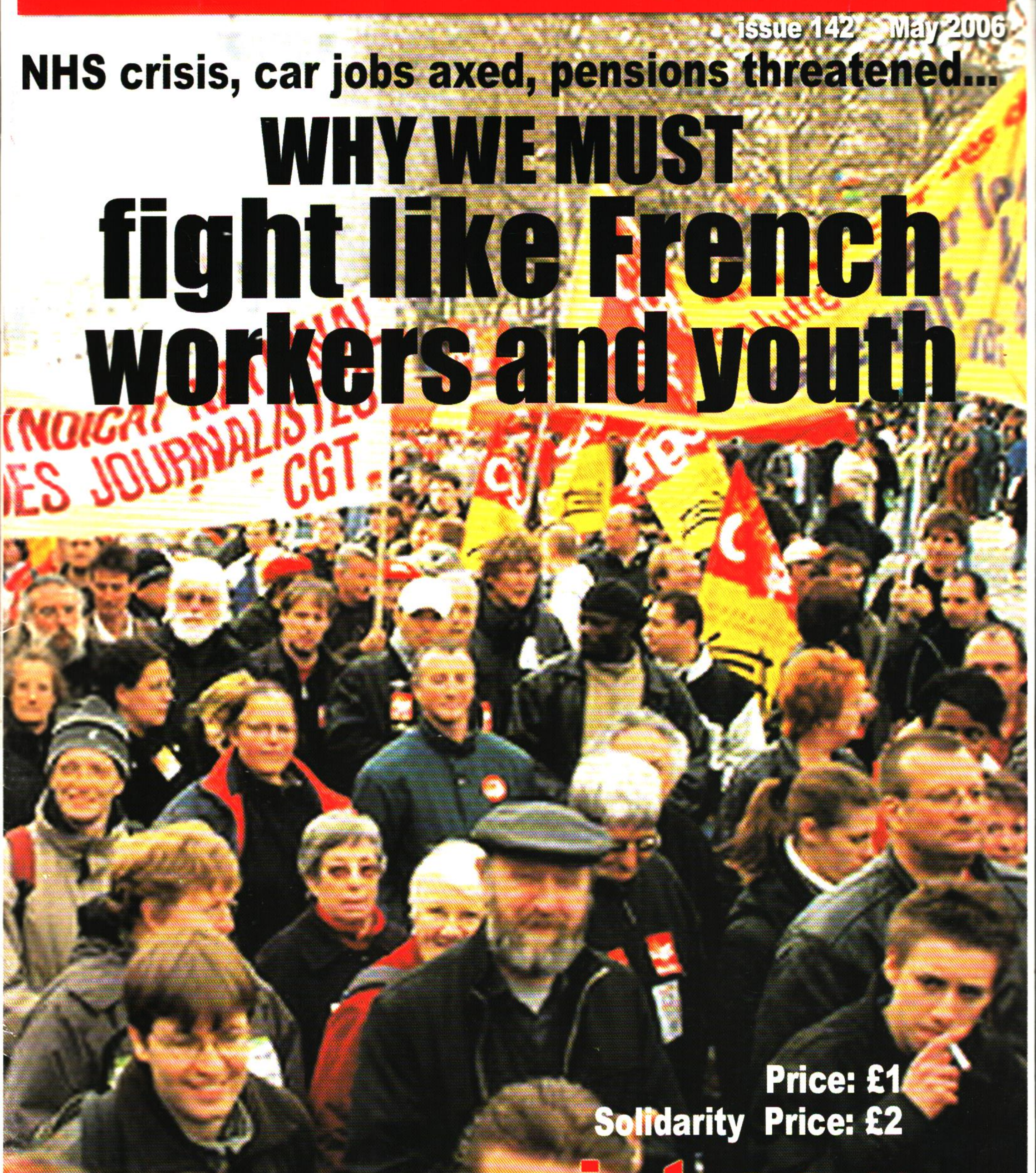
Socialist Appeal

Issue 142 May 2006

NHS crisis, car jobs axed, pensions threatened...

WHY WE MUST fight like French workers and youth

INDIGNAT...
JOURNALISTES
CGT



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editor: Alan Woods
 PO Box 50525
 London, E14 6WG
 tel 020 7515 7675
 contact@socialist.net
 www.socialist.net
 www.marxist.com
 www.newyouth.com

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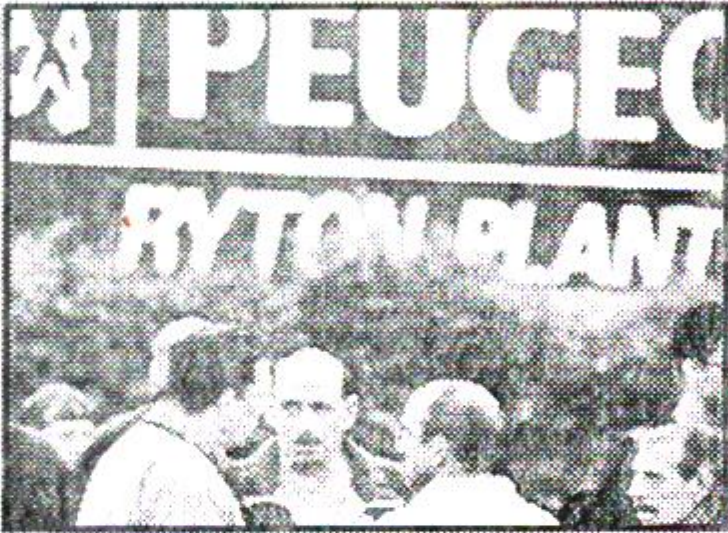
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 Hands Off Venezuela - Full Support to the Venezuelan Revolution!



The Editors of Socialist Appeal would like to send May Day Greetings to all our sellers and readers, and to workers and youth in struggle everywhere. On the 80th anniversary of the General Strike, against the background of international revolt from Venezuela to France and Kashmir we should all be inspired to spread the ideas of Marxism and commit ourselves to building the sales of Socialist Appeal.

Fight to Defend Peugeot Workers' Jobs (page 8)



France: Victory for United Struggle of Workers and Youth (page 20)



Eightieth Anniversary of the 1926 General Strike: On the Verge of Revolution (page 16)



Contact us in Scotland, PO BOX 17299, Edinburgh, EH12 1WS, Tel: 07951140380

The Deadline for Issue 143 is May 18

Fight to save the NHS

"By good food and good homes, much avoidable ill-health can be prevented. In addition the best health services should be available free for all. Money must no longer be the passport to the best treatment."

Labour's 1945 manifesto on the creation of the NHS

ACCORDING to Blair's Health Secretary, Patricia Hewitt, the NHS is having "its best ever year". After nine years we should immediately recognise this Orwellian Newspeak. 'Education, Education, Education' meant loans, fees and trust schools. 'Incorruptible' meant rotten to the core. Sure enough the Health Service's "best ever year" means a profound crisis. The NHS is more than £800 million in the red, hospital wards are being closed and thousands of staff are losing their jobs. 7,000 redundancies have been announced already, and the Royal College of Nursing estimates another 13,000 will go.

This is the direct result of importing the wonders of the free market into the National Health Service. Private health companies are being paid out of the NHS budget; PFI companies have got their noses in the trough; and new fees are being introduced for treatment, such as the £4,000 now charged for a 'one-to-one' appointment with a midwife at Queen Charlotte's hospital in London.

Free health care was a huge conquest of the working class following the second world war. Now it is being dismantled and sold off to the highest bidder, with various forms of privatisation offering lucrative rewards for private consortia of contractors, banks and construction firms. There are fortunes to be made out of the NHS, and not just those leeches off the ill health of working people by the multinational pharmaceutical companies.

What is left now of the promise of care from the cradle to the grave? Hospitals, schools and pensions are all in crisis. Blair wants to cut the incapacity benefit bill by forcing one million sick people back into work. The benefit system is too crude, the government claims. For instance, they argue, it automatically entitles all blind people to benefit! No matter how

many times it is shouted at them by angry workers, the Blairites still do not know the meaning of the word 'shame'.

Insecurity is what follows us from cradle to grave in 2006. The best this system could offer us in its 'boom' years was the ability (if we kept our heads down and worked very hard, for very long hours) to trap ourselves in unprecedented levels of debt.

Meanwhile, all around us, health, education, democratic rights and all the reforms for which previous generations fought are being destroyed.

Who benefits from all of this? The owners of the privatised companies, the PFI pirates, and the bosses of the big companies - the capitalists - are the only ones to gain. Capitalism is the guilty party in all of these crimes, and the Blair government has been their willing accomplice. The capitalist system can no longer afford the reforms it was forced to grant in the past, and one by one they are being dismantled, asset stripped and squeezed dry. This is an international phenomenon. It is important to understand the links between the assault on pensions, welfare benefits, healthcare and education in this country, and to see that these same attacks are being repeated around the world. It is not just Blair and co, but the capitalist system as a whole that cannot afford to maintain these reforms.

Capitalists' only concern is profit

Capitalism is constantly searching for the economic equivalent of alchemy. They want to find a way - without the bothersome business of investing, employing and producing - to simply make money turn into more money. In PFI they have found their philosophers' stone. Through the various privatisation schemes Blair and co are redistributing wealth from the health budget to private companies and banks. British capital's failure to invest over decades has reduced manufacturing industry to an empty shell employing just three million workers. One million manufacturing jobs have been destroyed during Blair's reign, the workers at Peugeot in Coventry the latest in a long line to lose their jobs. The feeble British capitalists have been

reduced to squeezing their profits out of already existing production and services through privatisation. Profits are the lifeblood of capitalism. The capitalists will not invest if they cannot make a decent return. For example, private rail companies do not repair and maintain track, killing people as a result, because there is no profit in it. So when you introduce the market into the NHS, the capitalists come running for one reason only, they smell an opportunity for profit. Former Health Secretary Frank Dobson suggests that the current financial chaos in the NHS is a case of deliberate sabotage, preparing the way for even more widespread privatisation, even more opportunities for the pirates to make a killing.

It is time to call a halt! We must fight now to save the NHS! Unison General Secretary Dave Prentis has promised to support health workers taking action against privatisation and job cuts. That action needs to be organised on a national scale. At the same time Unison must take the lead in organising a struggle against the Blairites inside the Labour Party. The attack on the NHS is an attack on all workers and therefore the TUC should organise a campaign to defend the NHS beginning with a national demonstration. This month we celebrate the 80th anniversary of the great General Strike of 1926. The scale of the attacks now being launched against the NHS means that generalised militant action is required if the Health Service is to be saved. We should take inspiration from workers and youth across the channel whose united action recently defeated the government. If we fight like the French workers and youth, we can defeat these attacks. In the end we need to be tough not only on the crimes of Blair, but also their cause - the senile degeneration of the capitalist system. None of the reforms of the past are safe while capitalism continues.

- ❑ **No to PFI and privatisation.**
- ❑ **Kick the market out of health care.**
- ❑ **For a fully funded National Health.**
- ❑ **Service free to all at the point of need based on the nationalisation of the big drug companies.**

Super-rich prosper under Blair

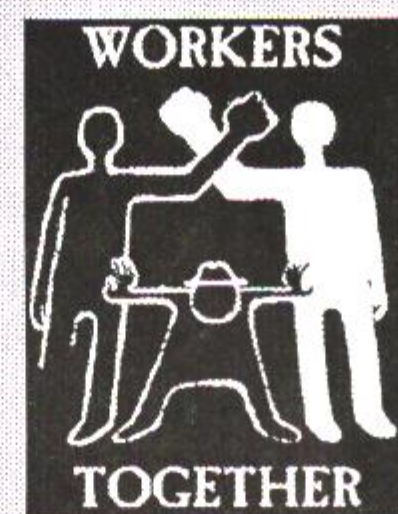
THERE ARE now 54 billionaires in the UK compared with 40 last year, and top of the list is steel magnate Lakshmi Mittal with a £14.8 billion fortune.

For Britain's super-rich, life just gets better and better. Booming stock markets, soaring property prices, mega takeover deals and the City awash with big bonuses have led to a wealth explosion. As a result, the combined wealth of the top 1,000 listed in this year's *Sunday Times Rich List* has soared by more than £50 billion in a single year to £301 billion. The wealth of Britain's 1,000 richest people has tripled since Labour came to power in 1997. This year alone has seen a 20 per cent increase in the overall wealth of the richest few, the highest rises in a single year recorded since the first *Sunday Times* list in 1989.

Nine years ago when Tony Blair came to power, the wealth of the then 1,000 stood at £98.99 billion. The rich have got much richer under Labour than ever they

did in percentage terms under a Tory government. In the past six years alone, the wealth of Britain's top 1,000 has rocketed from the £115 billion recorded in 2000. This year's top 10 are worth a staggering £59.5 billion in total, nearly £4 billion more than the top 200 were collectively worth in 1996. The British wealth explosion is reflected in the record number of billionaires in the list. At 54, it is 14 higher than last year. In 1997, there were just 16. This year to get in the top 1000 you need £60 million

Britain's multimillionaires are not alone in experiencing a wealth explosion. The richest 50 in Europe have increased their wealth over the past year by an even greater 32.9%, taking their total to £323.1 billion while the world's top 50 have also achieved a 23.3% increase, and at £564.3 billion, their wealth dwarfs that of much of the rest of the world combined. □



UNISON North West Anglia District Health Branch

- **No to PFI and privatisation!**
- **For a democratically controlled NHS, free to all at the point of need!**
- **The right to life is higher than the rights of private property!**

Child Poverty:

by Andy Viner

THE LABOUR government last month announced that they had reduced child poverty by 700,000 since 1997. However, this fell a long way short of their planned target of 1.2 million. This follows their media hyped plan to eradicate child poverty within a generation by 2020 and to reduce it by half by 2010. It has been calculated that to reduce child poverty by half would require an extra £10 per week, after housing costs, for low income families. The 2004 child tax credit increase by £3.50 or £180 a year was supposed to have been a milestone in reducing poverty.

The Tories' policy chief, Oliver Letwin, has jumped on the bandwagon, supporting the proposals. The Tories are trying to give the impression of creating a 'compassionate Conservatism'. Yet when the Tories were last in power they pursued policies that gave Britain the highest level of child poverty in Europe. While Denmark's child poverty level stood at 5%, and Finland's at 6%, Britain's is a staggering 24%. Child poverty increased 3-fold under the last Tory government; the freezing of child benefit had a profound effect.

Britain has one of the highest rates

A Scandal that shames the system

of child poverty in the industrial countries. In 1998/99 it was reported that 4.5 million children lived in poverty. The conditions of poverty go hand in hand with poor housing, education, opportunities, crime and health problems, not just when young but throughout life. Dr. Tess Ridge has stated that 'poverty and disadvantage can permeate every aspect of children's lives, from the material and more quantifiable aspects of needs, to the social and emotional requirements of childhood.

1 in 6 families will fall into poverty as a result of having children. Children from low income families are more likely to have an illness like respiration infection. The parents of unskilled workers are five times more likely to die from an accident than parents in a professional occupation. The Save the Children charity found that young people felt the pressure of social stigma through receiving free school meals. From a very early age the pressure of the social system is pushed on to young people.

There is no official figure that determines child poverty. 15 indicators are used to work out what constitutes child poverty. One of the main indicators used as a yardstick is whether a family earns 60% of the median income.

Other factors like housing costs and debt are used. The property boom and the lack of affordable housing are causing many families financial hardship, which is leading to ever increasing debt. The biggest problem areas are the inner cities like London, Manchester and Liverpool which are in the ten most poverty stricken areas. Inner city London has the largest percentage of child poverty at 54%. Tower Hamlets, Islington, Hackney, Newham, Haringey, Camden and Southwark are all in the ten most deprived areas of the United Kingdom.

As part of the plan to reduce poverty, the government is pursuing the 'New Deal', targeting what they call joblessness - not unemployment - and introducing the toughest benefit penalties if you do not comply. This is a carrot and stick approach with the emphasis on stick. We do not see the same determination to force employers to pay a living wage, with decent conditions and guaranteed living pensions.

Things could be different, Britain is the fourth richest country, yet we still have child poverty. Tinkering with the system will improve things for a few, only changing the system will improve things for everyone. □

25,000 lecturers to strike

by a NATFHE member

FURTHER EDUCATION lecturers in England and Wales are getting ready for a two-day strike over pay at the beginning of May. The 25,000 FE lecturers who will be taking action on May 2 and 3 are represented by Natfhe the lecturers' union. The strike will coincide with a strike by 85,000 civil service workers in the run up to the forthcoming council elections.

The lecturers are fighting for a decent pay rise after the bosses offered a measly, below inflation increase of just 1.5 percent. This will not even

cover the cost of increased gas bills! The union remains in dispute over last year's pay increase of 2.8 percent, which was below the increase for teachers over the same period. The union has made it clear that the dispute can only be resolved if the bosses deal with the shortfall in the current offer.

To make matters worse only 43 percent of colleges have implemented the 2003 to 2005 pay scheme. No wonder then that there is a mood to fight in the colleges. □

Rail unions to Ballot for Action to Save Pensions

by our industrial correspondent

TENS OF thousands of rail workers in dozens of infrastructure and operating companies will be balloted for strike action if the employers fail to agree to a formula that will avert a pensions crisis in the industry by April 28.

Rail unions RMT, TSSA, ASLEF and engineering union CSEU are seeking employers' commitment to ensuring that the Railway Pensions Scheme remains open to all employees, capping employee contributions to a reasonable level, maintaining benefits and streamlining the proliferation of sections within the scheme created by the fragmentation of privatisation.

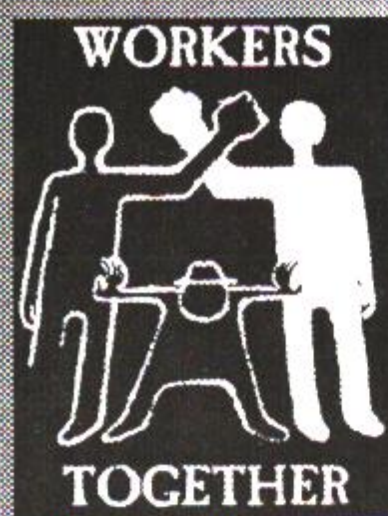
The dispute, involving every train-operator, Network Rail and dozens more infrastructure companies, has raised the possibility this summer of the first industry-wide shutdown since the general strike in 1926.

"We have written to every employer in the RPS seeking an unconditional undertaking on our four key demands, and if that is not received by 4pm on April 28 we will be in dispute and the next step will be ballots for strike action," RMT general secretary Bob Crow explained.

"Our members have packed into meetings around the country to tell us that they are not prepared to allow their pension scheme to disintegrate before their eyes or suffer the massive contribution hikes that will be triggered on July 1 if no agreement is reached," TSSA general secretary Gerry Doherty said.

"Doing nothing means accepting the eventual collapse of the Railways Pension Scheme and the prospect of poverty in retirement. That is simply not an option, and if that means industrial action, then so be it," Gerry Doherty said.

"We are calling a halt to attacks on our hard-won pension rights and it is time for the government and employers to start talking to us seriously," said CSEU railways officer Bob Rixham. □



May Day Greetings from The Edinburgh School Students' Union

The Edinburgh School Students' Union sends its message of solidarity on May Day, and believes in students and workers struggling together like was recently seen in France. There we learnt that militant action is the only effective tool in class struggle.

Onwards to socialism!



Peterborough Trades Union Council

May Day Greetings to
Socialist Appeal

- Repeal the anti-union laws!
- Full employment rights for all workers!
- For living minimum wage with no exemptions!



Harlow Trades Council

Sends May Day
Greetings to the labour
movement in Britain
and all those workers
and youth struggling
for socialism around
the world

- Socialism is back on the agenda internationally!
- Drive out imperialist greed!

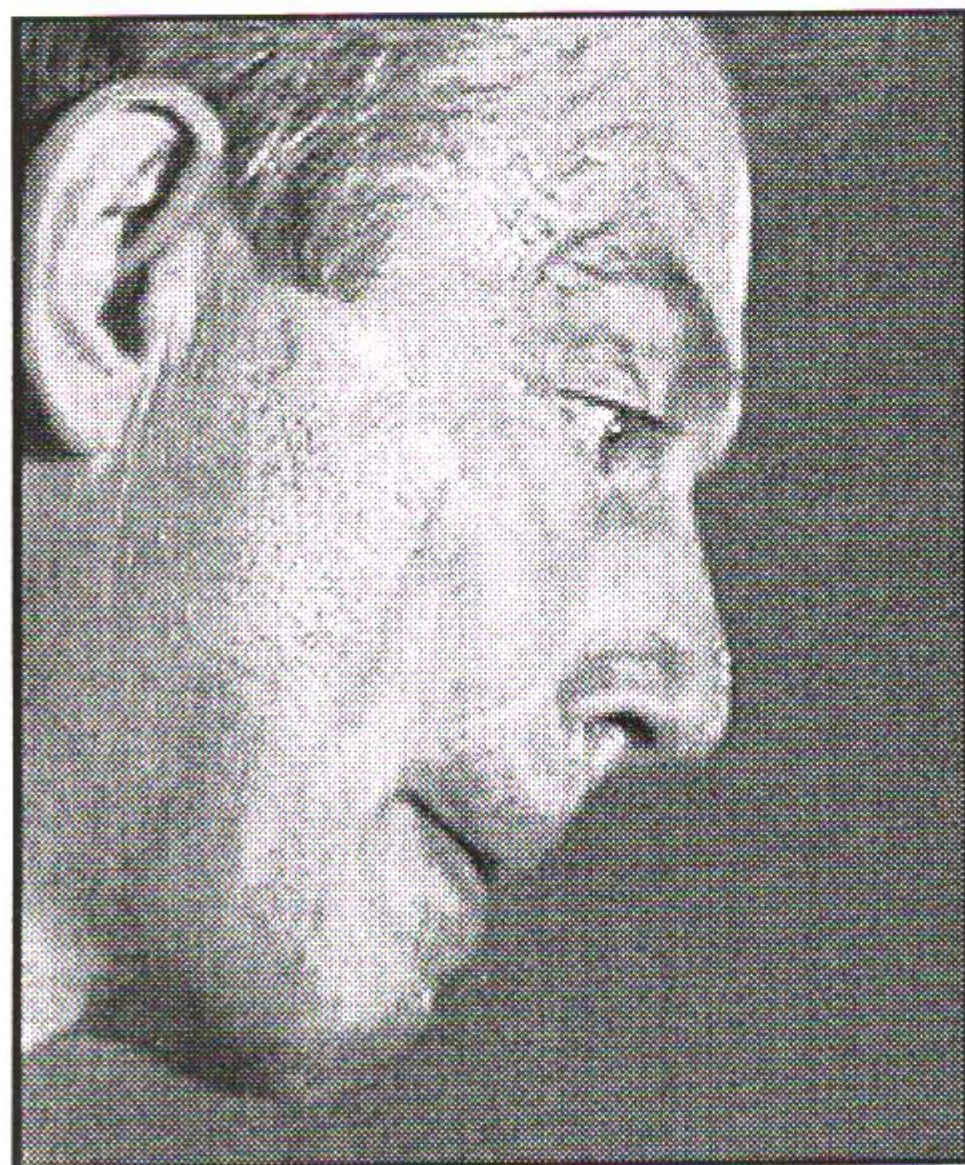
Campaign over victimised Amicus workers continues

by Kris Lowrie, Campaign for Democracy in Amicus

SINCE THE sacking last month of the three Amicus employees and Broad Left activists, Des Heemskerck, Jimmy Warne and Cathie Willis, dates have been set in May for internal appeal hearings. The campaign set up to defend the three lobbied the union executive in March with the demand that an independent body such as ACAS should be allowed to hear the internal disciplinary appeal. This request, which was submitted formally to the Amicus leadership has been rejected. It is extremely doubtful that the appeal will be given a fair hearing and that the three will be reinstated, considering the prejudiced way in which these sackings have been conducted. But the issue of the sackings will not go away for Derek Simpson and the executive. The campaign for their defence has already begun in earnest. Donations of thousands of pound have been received for the cam-

paign from members of Amicus and support has also been given from the T&G Broad Left to the victimised three. Comparisons have been drawn by T&G left activists between the victimisation's of two left Irish officials under former T&G General Secretary Sir Bill Morris and the attack now launched by Derek Simpson against the three leading left Amicus employees. This political witch-hunt will not succeed. The Campaign for Democracy in Amicus that has been set up for their defence will gain in momentum throughout the summer as the trade union conferences are leafleted and publicity for their case is circulated. □

• The campaign can be contacted at www.campaign-democracy-Amicus.org



LAST MONTH, the Communication Workers' Union's national executive committee passed a resolution calling for the removal of Tony Blair as leader of the Labour Party.

It stated, "In the wake of recent damaging revelations regarding the secret loans to party funds and the associated honours issue; the failure to secure a Labour majority for the education bill; the continuing occupation of

CWU Leaders Call for Blair to Resign

Iraq; and the growing dissatisfaction amongst workers with Tony Blair's political direction, particularly his failure to repeal anti-union laws, this NEC believes the prime minister should resign and allow an orderly transfer of power to a new leader of the Labour Party as a matter of urgency."

A separate resolution calling for the union to stop funding the Labour Party was defeated. While the union wanted to remove Blair, it correctly saw its interests in remaining with the Labour Party.

This year's union conference in Bournemouth will again see this issue raised as union activists become even more angry at the actions of the New Labour leaders and their intentions to privatise the postal service. □



May Day Greetings from the Campaign for Democracy in Amicus



"We would like to send May Day Greetings to all those workers, trade unionists and Socialist Appeal supporters who have backed our campaign and joined with us in demanding an end to the witch-hunt in our union and for the re-instatement of those scandalously dismissed.

"The struggle for democracy in the trade union movement is a vital part of the battle to transform our unions into bodies willing and able to stand up and fight for the working class."

Anger as unions call off local government strikes

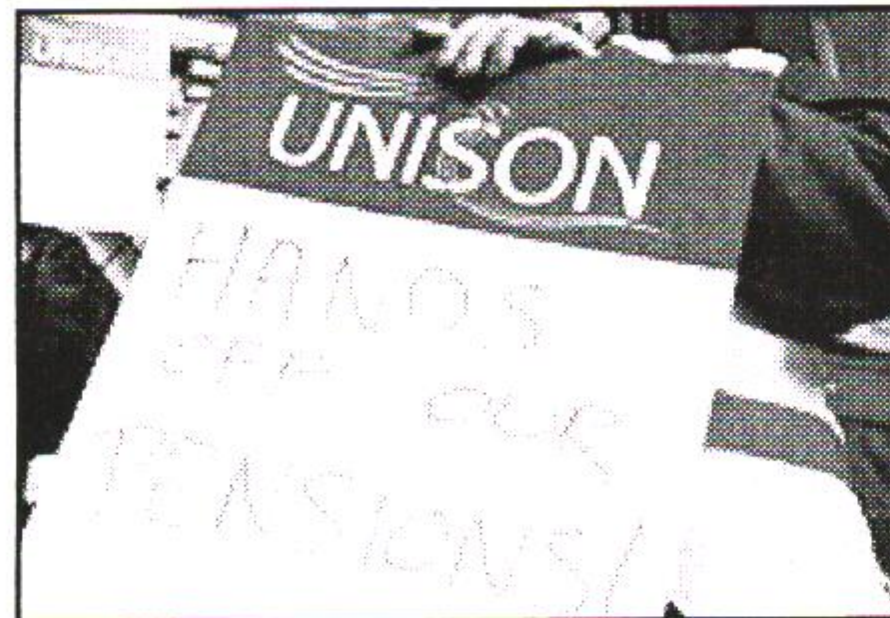
by Pam Woods, shop steward, Islington UNISON (personal capacity)

WORKERS IN dispute with their employers over the threat to their pension rights were gobsmacked to learn that union leaders have called off further strike action. The decision was taken without consultation with the membership and without a ballot. The announcement followed the solid and magnificent strike on March 28th.

Union members were already preparing for the next stage in the dispute. Further strikes had been planned for 25th - 27th April, with a two-day strike in May to coincide with the local elections.

An agreement between the union leaders and the employers was brokered by the TUC, and both sides issued a joint statement on April 11th. So what did the union negotiators achieve for their members? Very little, it appears.

The statement is weak and open to many different interpretations - you pays your money, you takes your choice. It says that talks will continue



with 'nothing ruled in and nothing ruled out'. It speaks of 'discussing' proper protection for current members of the Local Government Pension Scheme. Later it states that 50% of savings made from abolishing the right to retire at 60 will be used to protect existing staff. What if that 50% turns out not to be enough? And what about future workers? It was agreed that changes in future should be made by agreement **where possible**. (my emphasis).

The dispute was over the right of workers who fulfil the '85-year rule' to retire at 60 with a full pension. Without an unconditional guarantee that this

right remains, there was no basis whatsoever for suspending strike action.

Negotiators will now report back in June, missing the opportunity to put the government under pressure in the run-up to the local elections. There is no reason why negotiations should be so prolonged. This is a cynical move to allow the government off the hook. So, from a position of strength, the union leaders have gone belly-up to the employers.

This is a shabby, cowardly move and an insult to local government workers, who were prepared to go on fighting to preserve their pensions.

What to do now? Members must bombard their union HQ's and the TUC with letters, emails and phone calls of protest. Branch meetings must be called, and regional councils must organise mass lobbies of union offices.

Union leaders must be left under no illusion: their actions are completely unacceptable. We will not allow them to sell out our pension rights. □

More strike action in the DWP

Rachel Heemskerck, PCS DWP Essex, Branch Secretary (personal capacity)

ON THE 26th and 27th January members of the Public and Commercial Services Union (PCS) in the Department for Work and Pensions (DWP) had two days of successful strike action over the threats being made by the government to cut jobs and services. These two days of action followed by an overtime ban forced management to agree to new talks with the union. These talks focused on job security, staffing levels and members' rights at work. Management seemed to be willing to discuss a policy that would rule out compulsory redundancies and the discredited management attendance policy (a policy which can mean you are sacked after eight days sickness). However, when talks reconvened on March 21st management refused to discuss these issues further, and even said they had never offered to discuss such concessions!

This all came after the Parliamentary Select Committee report vindicated the PCS position on job cuts. This report found that the DWP efficiency programmes (job cuts) had been poorly planned. The report goes on to say "the pace of headcount reductions in Jobcentre Plus should be slowed until all Contact Centres are running the full Customer

Management System (CMS)". CMS is a computer system, which does not work, and is another of the "myriad of IT, staffing, process, telephony and financial programmes" that management across the country are struggling to solve. The report supports the PCS view that the DWP is in meltdown and cannot continue to slash jobs. PCS has tried to negotiate a satisfactory agreement to the jobs, rights and services campaign, but these talks have led to management refusing to discuss anything new. All they want is to find a way to make the cuts as fast as possible with no regard to the affect it has on the services offered to benefit claimants and pensioners. The strike in January forced these talks and it is important members show they are united behind the campaign to stop cuts in jobs and services by supporting the further two days of strike action called for 2nd and 3rd May. The overtime ban must also be continued as this is putting pressure on the management. This is the only way we can save jobs and the services offered by DWP. PCS is now balloting members for the National and Group Executive elections. It is important we ensure the vote for Left Unity candidates are high. We cannot allow the rightwing back. We must continue to campaign to save jobs and services. We must have a left leadership. □

Stop the Closure of Peugeot in Coventry!

Darrall Cozens, NATFHE Coventry and Coventry Labour Party (personal capacity)

THE DECISION to close the Peugeot car plant at Ryton in Coventry and cease production of the best-selling 206 model was compared by one worker at the plant to knowing that a loved one was dying of cancer yet being shocked to know that death is at the doorstep.

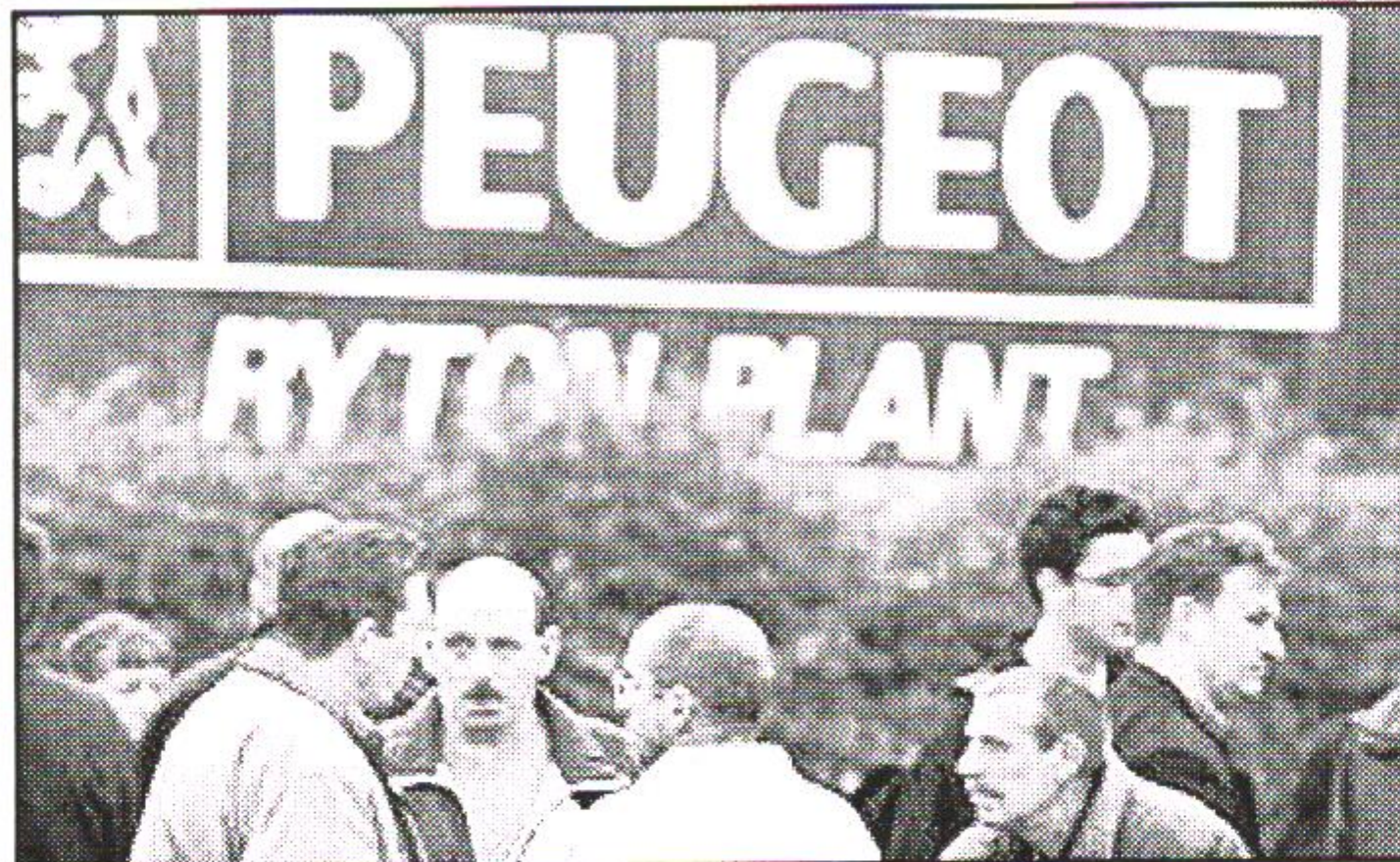
For the last two years rumours have been circulating around the city that closure was on the cards so when the "bombshell" came, it was expected. Peugeot had already turned down a £14 million grant from the government to modernise the plant.

Recent developments too created suspicions about the company's plans. In April 1999 some 15,000 workers had applied for 900 jobs on the weekend C shift and the plant became the first in Europe to have seven-day continuous production. In March 2005 the same shift was scrapped and 850 jobs were lost. In the same period by December 2005 the company's production record for a single model was smashed with 5.3million of the 206 having been produced since 1998.

All of these statistics point to the loyalty, hard work and commitment of the Peugeot workers. In 2003 they had even accepted a 2.6% wage cut to save 700 jobs, but to no avail. From a workforce of 4,000 in 2003 some 2,300 remain. Four shifts have been reduced to two.

The *Coventry Evening Telegraph* of April 19th put it in a nutshell with its banner headlines. "They worked tirelessly to boost productivity." "They pioneered continuous 24-hour production." "They built one of the world's most popular cars." "Now Ryton workers have been rewarded with, Le Sack."

If the closure goes ahead it will mark the end of volume car production in Coventry, once dubbed the heart of UK motor manufacturing. Ryton has been producing cars since 1939.



Despite the T&GWU's Tony Woodley pleading to the government to "remind companies like Peugeot that they have responsibilities to this country", the truth is that the only responsibility they have is to their shareholders. For capital the closure is a necessity. Analysts in the City said that the closure was a positive step as the share price of Peugeot rose in Paris.

Peugeot boss Jean-Martin Folz flew in to say that "because of mere economics, sadly it is the only option we could take" and then went on to praise the "wonderful job in improving quality and productivity at the plant."

What are the economics from the point of view of capital? Firstly, there is the estimated £175million needed to retool the plant for a new model at a time of falling demand for cars and rising European competition as the car industry world wide faces a crisis of over production. In addition, rising raw material prices because of demand from India and China have added to costs, together with new EU legislation that regulates car emissions. For capitalist car makers it seems that pollution is more profitable!

Free market jungle

Secondly, each car produced at Ryton is alleged to cost 450 Euros more than each one at Poissy in France and

almost 1000 Euros more than in the Czech Republic. As one worker put it, the costs per hour at Ryton are £11.30, but at the new plant in Slovakia it is £2.50. Slovakia and the Czech Republic are recent entrants to the EU and have far lower labour costs, proving a magnet for EU manufacturers whose only loyalty is to profit. Conversely, low wages there have led to more than 120 Polish bus drivers coming to Coventry.

Yet the same process happened when Spain and Portugal joined the EU. Within 10 years costs of production began to reach the European average. Any move eastwards therefore will only provide a short-term advantage.

Thirdly, the social costs of plant closures in the UK are far lower here than in the home of Peugeot in France. Here in the UK the social costs are borne by the government, while in France it is the company that pays. One estimate says that a plant closure in France would cost the company £140,000 per worker, while here in the UK it is £50,000 per worker. These are the "fruits" of having the most flexible workforce in Europe that Tony Blair often boasts of!

Derek Simpson of Amicus rightly condemns the sacrifice of UK workers on the altar of a flexible labour market and Tony Woodley has condemned the massacre of UK manufacturing in the "leave it all to the market madness". Since Labour came to power in 1997 over a million jobs have been lost in the manufacturing sector and employment there now stands at just over 3 million. Tony Blair has expressed sadness but has said that such cuts are "inevitable".

And he is absolutely correct! Under capitalism, the needs of the workers and their families take second place to those of shareholders. In the jungle



law of the "free market" production takes place not to satisfy social need but to make profits for the owners of industry. The fact that workers have mortgages to pay, some as high as £1500 per month, or that some have re-mortgaged their house to pay for their daughter's wedding, is of no consequence to the god of profit. Workers at the plant quite rightly say that after their sacrifices to improve quality and productivity, they feel absolutely "shafted".

So will there be a fight back to stop this closure? At the time of writing a campaign is gathering momentum that may include strike action, yet mass meetings to test the mood for such action have proved inconclusive with votes evenly split.

What are the factors against industrial action? Firstly, there is the record of the trade union leadership in relation to Rover a year ago where 5,000 jobs went without a fight in the run up to a general election. Secondly, there is the possibility of at least one more year's work before the plant finally closes in mid 2007 and some workers don't want to lose what may be their last year's pay packet for some time and they fear this may happen if they strike. Thirdly, the prospect of redundancy payments being hit by industrial action will determine the mood of some of the 800 workers there with longer service and who are approaching retirement. This was one of the factors that led to the closure of Jaguars despite a marvellous march through the city last year.

Do these factors mean that closure is inevitable? By no means! Between now and July, when the first redundancies take place, there is time to mount a campaign to halt the closure. Firstly, there has to be a campaign mounted by the

trade unions to explain that it is not the French who are shafting the workers but the logic of capitalism. Secondly, the trade unions should be demanding that the company books are opened to trade union inspection to see the levels of profits and investment of the company and how much has been salted away in pension plans for the bosses. Thirdly, an inventory of stock on the site should be drawn up so that the workforce has a bargaining chip in their fight should they decide at some stage to occupy and prevent asset stripping. Next, the trade unions should draw up plans to prevent any machinery leaving the plant as operations are closed down. We should learn from Rover which is now an empty shell. Plans should also be drawn up to occupy the plant so that the workforce controls what goes in and out.

Nationalise the plant under workers' control

In the last analysis however the demand that the Labour Government nationalises the plant without compensation has to be raised so that the skills and expertise of the workers can be used to develop transport vehicles. Peugeot could then be dovetailed into an integrated publicly owned transport system to do away with the anarchy of capitalism. Under capitalism and production for profit closures like Peugeot are inevitable.

French trade unions have already pledged their support to a struggle. If Ryton shuts and production is transferred to Eastern Europe, French workers know that it will be their turn next. The battle lines have been drawn at Ryton. There is no time to lose if this struggle to save jobs is to win! □



General Secretary Election:

Re-elect Jeremy Dear

NUJ members will be asked to vote in an election for General Secretary in early June following the opening of nominations.



The NUJ General Secretary is subject to election/re-election every five years and the union has agreed a timetable for the election which will now take place in June. Current General Secretary Jeremy Dear has confirmed that he intends to stand again.

All NUJ activists should be mobilising to ensure that Jeremy gets maximum support. Over the last five years the NUJ has been to the forefront in fighting for jobs and conditions inside the industry. Many groundbreaking deals have been won and union recognition has been established, or re-established, at a number of sites, including most recently the Times Educational Supplement. At the last ADM the union was able to celebrate passing the 40,000 mark in membership. The NUJ has also under Jeremy's guidance taken a model position in support of the Venezuelan revolution. Jeremy is a committed socialist who if re-elected will provide strong leadership in the fight against the attacks of the bosses. □

May Day Greetings to all Socialist Appeal readers, and the labour movement from Jeremy Dear

(General Secretary of the National Union of Journalists - personal capacity)



80 years after the great General Strike fighting trade unions are needed to defend workers in Britain more than ever. The Revolution in Venezuela is an inspiration to us all in the worldwide struggle for socialist change.

- **Hands Off Our Wages, Jobs, and Conditions!**
- **Hands Off Venezuela!**

NHS Crisis: A Life and Death Struggle

by Stuart Knox

'4,000 NHS jobs to go!' scream the media headlines - then 5,000, 6,000 and upwards. Currently, 7,500 job losses have been announced with ominous hints of many more to come - one report has suggested that as many as 100,000 NHS jobs could be under threat. We are being told that the NHS may overshoot its annual budget by as much as £800 million.

But the 'Iron Chancellor' has pumped billions of pounds extra into the NHS and 300,000 additional staff have been taken on since 1998 - so why is there now a problem and why is it so severe? First, let's see what has prompted the cash crisis.

According to the Health Service Journal (HSJ): 'The Department of Health is making drastic cuts to public health and clinical training programmes because it has over-committed its £12bn central budget for next year by over £2bn. HSJ has learned that budgets for child and flu vaccination programmes, and emergency preparedness for major incidents such as terrorist attacks, will be among those facing the biggest cuts.'

Budgets for the training of doctors, nurses and other clinical training programmes will also be hit, along with funding for the national rollout of foundation trusts and the 11 programme.

The government is seeking a cut of 15-18 percent across its central budget to try and make its £12bn fund stretch across all centrally committed programmes.'

Apparently, the Department of Health began to realise the scale of the shortfall back in November, which led it to impose a freeze of commitments and, as the end of the financial year grew near, a mad panic to get the books to balance.

Having denied that a problem existed, let alone a crisis, Tony Blair was forced to fly back from the Far East to attend an April summit at 10 Downing Street with the Health Secretary and assorted NHS managers. Speaking to the press afterwards he described it as nothing more than "a bit of turbulence!" And anyway most of the job losses would only be agency staff or temporary workers who evidently no longer count as human beings.

The spin line is that there is no fundamental crisis, just a little blip and once Tony has sorted it out with a magic dose of reform it will be back on track, full steam ahead etc, etc. - just in time for the 2009/10 general election where all will be forgotten. This is not the view held by health service insiders, however, as the HSJ made clear in an editorial dated 12th April: 'The service was preparing itself for redundancies as a result of primary care trust and strategic health authority mergers.'

The editorial continues; 'In fact it is likely that the headcount reduction will spread much further than the third of trusts in debt. Our own snapshot of acute trusts this week suggests that four out of five acute trusts expect to cut their workforce in the next six months and about two thirds say this will involve redundancies.'

"Reform"

So things are a bit more serious than just a few 'temporary' ward closures to survive until the end of a financial year. Since the Tories began introducing the 'internal market' into the NHS back in 1989, conflicting tensions have continued to build up with inevitably explosive consequences. No amount of new money from Gordon Brown can solve this problem. Indeed, under the guise of "reform", Blair and his pro-market cronies have accelerated the crisis with evermore new "targets", league tables, structural reorganisations, the continued award of contracts to private companies to run NHS services such as cleaning etc., to say nothing of the whole PFI scandal.

One particularly glaring example (one of many thousands which could be given) was recently given by Dr Tony Marsh, professional executive chair of Godling PCT, in evidence to the Commons health select committee. He complained that 28 PCTs in South Yorkshire and Trent had to pay £700,000 to the privately owned Partnership Health Group, under the terms of their contract, for activity that had not been used.

Another recent report quoted researchers at Australia's Newcastle University on the growing phenomena

of 'disease-mongering.' This is the tendency by which, in an attempt to boost profits, pharmaceutical companies are promoting non-existent diseases and exaggerating mild problems to create new markets for new, very expensive and therefore very lucrative solutions.

Rather than the private sector helping to support the health service, it is clearly the health service which is supporting the private sector - and doing itself great damage in the process. Why has the government had to send in turnaround teams to sort out financial problems in 18 trusts over the last period? And why might fully half of all A & E departments now be facing closure? According to the president of the Royal College of Surgeons the government could be set to approve 'reconfigurations' which would see A & E departments slashed from 200 to just 100.

According to the HSJ again, in a survey published in March, NHS staff believe that the most difficult part of their job is dealing with financial constraints with 64% giving it a 'score' of 7 (or more) out of 10.

NHS boss Sir Nigel Crisp has been chosen to be the fall guy on all this, but with a cool £3million retirement payoff he is probably not all that bothered. Meanwhile ordinary health workers who are taking the real brunt of all this continue to be paid a pittance.

Then there is the £6.2bn IT upgrade for the NHS. On paper this seems like a good idea, linking up 30,000 GPs, 20,000 pharmacies, etc. However, when the difficulties faced by the Child Support Agency and Air Traffic Control after their computer system upgrades are recalled, there arises not so much scepticism as downright incredulity that the new system will work. Such a system has never been made to work, even on a much smaller scale as many expert sources, including Computer Weekly, have warned. Yet, once again, the private sector takes the money and delivers zilch!

The absolute disgrace of care of the elderly - which has an effect not only on the working class but wide layers of the middle class as well - has forced a major review under Sir Derek Wanless. According to Sir Derek, just to provide 'basic' care for the elderly means that

the proportion of national wealth spent on social care will have to double, rising to £27.5bn or 2% of GDP. Meanwhile a whole "granny-farm" industry has mushroomed to cash in on the market, whilst local council are busy shutting council run homes to save money and stop businesses complaining about council charges.

Against this background the results of the RCNs 'Working Well - at breaking point' survey will come as no surprise. By 2005, nearly one in four nurses reported being bullied or harassed at work, with 45% citing a manager as the source of the problem. The survey also showed that nurses' levels of psychological well-being had worsened since 2000.

Deepest Crisis to Date

What conclusions can be drawn from all this? Clearly the NHS is facing its deepest crisis to date. More than that, we have to ask whether the experience of nearly two decades of market 'reform' has reached the point where the NHS is threatened with break up, disintegration and even complete collapse? If the process of 'reform' is not checked and reversed then that would seem to be the inevitable outcome at some point.

But here is the rub - we live in a capitalist society where the working class, the overwhelming majority, rely exclusively for health care on the NHS. Private provision is simply not an option. The scale of cuts and attacks on the health service represents a finished recipe for class conflict and struggle. Faced with the loss of 'free' health care, a determined campaign in defence of the NHS is not only necessary in the coming period, it is inevitable.

Unions and Labour movement activists need to organise such a campaign, which will bring the full forces of our class to the fore. This is an issue which affects more people than anything else - we will all need the services of the NHS at some point - and is central to the aims and ambitions of the Labour movement to establish a better society. We must not let the NHS be reformed out of existence. □

Picket of French Consulate

by Ewan Gibbs, Edinburgh School Student

ON TUESDAY 11th April a group of activists picketed the French consulate in solidarity with the French workers and youth who have been battling against the French governments attack on young workers known as CPE, which would allow employers to sack workers under the age of twenty six without reason. The picket was held the day after the labour movement triumphed in France, but was specifically timed to link in with a strike by French students who are now calling for the immediate resignation for the government.

A letter expressing our solidarity was posted to the consulate. The low turnout was unfortunate and mainly due to the date only being arranged the night before due to circumstances. Those that attended were members of the Scottish Socialist Youth (SSY), Hands Off Venezuela, Edinburgh School Student Union and Socialist Appeal.

The meeting the night before at which this was arranged also featured members of those groups. The meeting was called by a small number of people and shows it only needs a little bit of effort to get something organised. It is good to see groups on the left working together to share a common cause with the workers and students in France. Now that we



have done this once we should be better prepared for the next time we see events kicking off, and perhaps have a turnout more like the hundred plus seen in embassies and consulates in Spain, Germany and Austria. This is unfortunately the only event I have read about connected with solidarity with France in the UK. It is a small but important step.

The events in France are an inspiration for all those fighting for a better society and show when the workers and youth unite in a cause they cannot be defeated. This lesson should be learnt by the movement here and stop the partnership agreements in the trade union movement and the lack of a fighting leadership in the NUS, for instance.

Now that we have had one meeting of a multi party group putting aside differences to fight for France hopefully we can do this for other worker struggles and fight together on other issues. □

Keeping The Faith?

by Chris Rutherford, Edinburgh School Students Union

TEACHERS HAVE put religious schools on the agenda recently, and their opinion is very clear: there should be no more. 160,000 delegates attended the Association of Teachers and Lecturers conference held in Gateshead on Tuesday the 11th April, who warned religious schools created "fertile ground for religious and ethnic conflicts". Among those calling for a ban on the funding of religious schools was Reverend Chris Wilson, which shows that religious schools is not necessarily of importance to those who are part of religious structures.

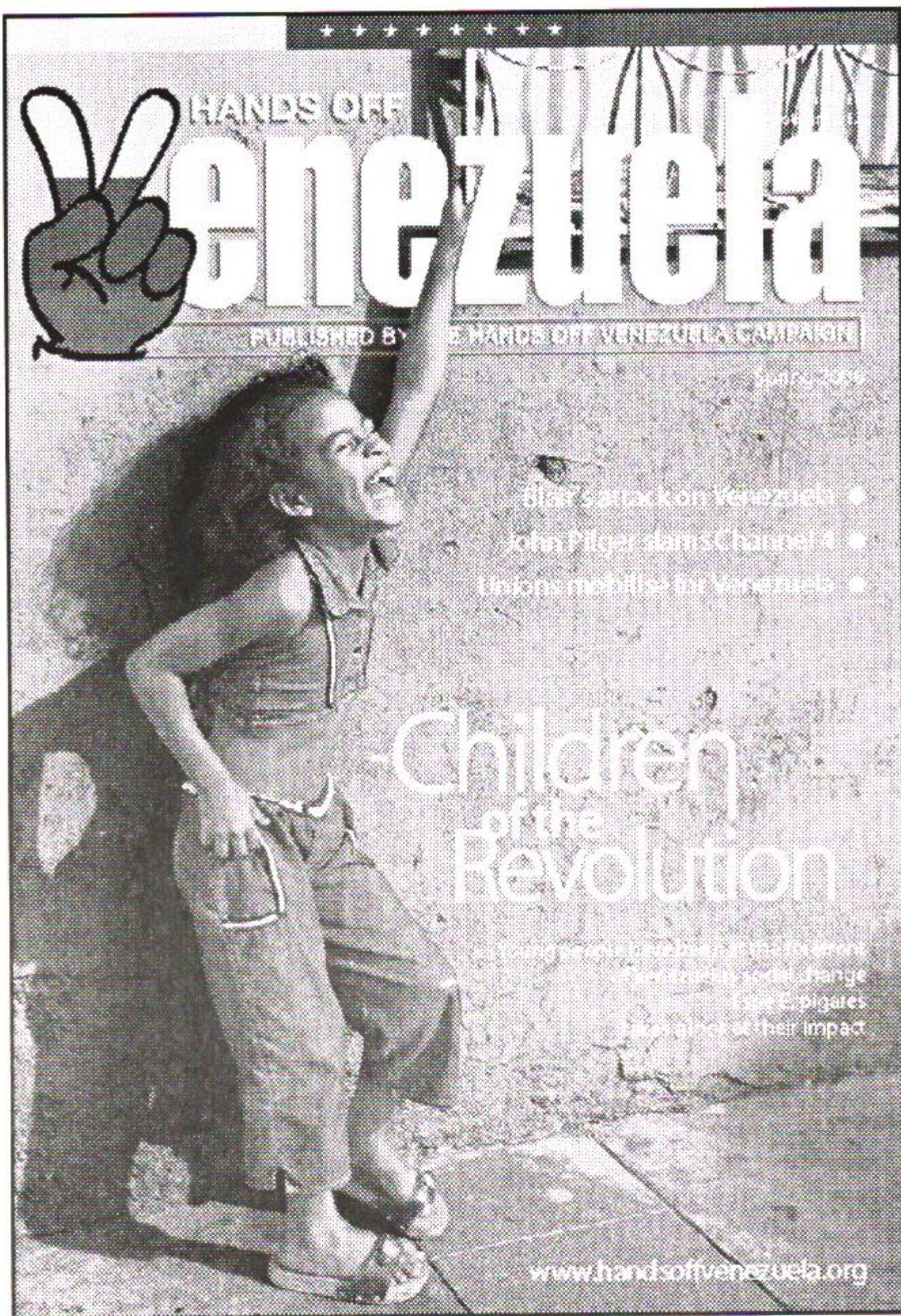
At the conference, the particular problem of creationism was highlighted. Science classrooms in schools sponsored by the Vardy Foundation have been found to be teaching this theory. Meanwhile, in Catholic schools there is no requirement for adequate sex education, and pupils

receive second rate and biased information in this field as standard.

The formation of faith schools needs to be stopped, and all action that can be taken to stop more faith schools from springing up should be taken. The Association of Teachers and Lecturers have joined the fight, and the School Students Union in Edinburgh will fight to keep religious institutions out of our education, and any other steps that could be taken to oppose them should be taken.

Faith schools threaten the core values of education; they teach pupils from a biased viewpoint, with the aim of furthering their religion. Just as schools should not be a target for military recruiters, schools should not allow the church (or any other religious organization) to prey on school students. □

Hands Off Venezuela



New magazine from Hands Off Venezuela!

by Rob Sewell

MAY DAY sees the launch of the new HOV magazine. The campaign is launching this quarterly colour magazine to promote news and information about what is happening inside Venezuela today. More than ever the Bolivarian Revolution needs the energetic support and solidarity from trade unionists and youth. The magazine will be an essential weapon to counteract the misinformation and lies emanating from Washington and elsewhere - a real must for all those involved in the solidarity movement.

The campaign is also keen to publish reports, letters, pictures and articles from its supporters and members. Eager to promote the setting up of Hands Off

Venezuela committees wherever possible and to help coordinate and promote the solidarity work, the organisers are confident the magazine will help enormously.

The first issue will be distributed free to members of HOV. Organisers are urging members to help sell and promote the magazine wherever possible. The National Union of Journalists has already ordered 100 copies at the solidarity price to distribute to union reps.

The first issue calls on its readers: "Let us spread the message far and wide. Let us galvanise the maximum support for Venezuela and its revolution. With our combined effort we will win. **Venceremos!**"

Subscribe Today!

To subscribe to the magazine, send a cheque for £4.80 (one year subscription, four issues) to **HOV, 100 Armadale Close, London N17 9PL**. For bulk orders to sell, including special rates, email Britain@handsoffvenezuela.org

Scottish TUC backs Venezuelan revolution

The STUC at its recent congress passed the following resolution No. 108 on Venezuela:

- “ That this Congress recognises that a social revolution is happening in Venezuela.
- “ Congress congratulates and supports the Venezuelan government for its utilisation of the country's wealth and resources for reforms to benefit working people, the poor and the landless.
- “ Congress notes the results of the referendum last August that gave President Hugo Chávez an overwhelming victory and a strengthened democratic mandate.
- “ Congress further notes that these results confirm that there is overwhelming support among working people and the poor for the social programmes of the Chávez government, in relation to education, literacy, training, health care, land reform, housing and subsidised food.
- “ However, Congress condemns the belligerent statements made by the US administration, its allies in Columbia and the oligarchy in Venezuela, which threaten these reforms, and deplores the attempts by the US administration to intervene in the internal affairs of Venezuela.
- “ Congress expresses its solidarity with trade unionists in Venezuela and rejects any outside interference in their activities.
- “ Congress agrees to support wider trade union and labour movement initiatives to highlight the issue of Venezuela within Scotland, and endorses the TUC's decision to send a delegation to meet and build links with trade unionists in Venezuela. Further, the STUC to invite a Venezuelan Trade Union Delegation to address the 2007 STUC Congress.
- “ Furthermore, Congress will work with trade union endorsed organisations striving to provide solidarity to Venezuela and encourages all affiliates to do likewise.
- “ Congress is concerned about the lack of media coverage of events in Venezuela, and urges the General Council to establish relations with the Venezuelan National Union of Workers (UNT) to ensure that news of trade union and related issues are more widely available to our movement."
- “ Congress agrees to invite a delegation from the UNT to the STUC Congress 2007 to report on developments in the country and describe the changes brought about by the Chavez Government."

Chavez Comes to London!

by Hands Off Venezuela

PRESIDENT HUGO Chavez is planning to visit London at the invitation of Mayor Ken Livingstone on Monday and Tuesday 15/16 May. Chavez will be returning from the EU Latin America/Caribbean summit, which takes place in Vienna a few days earlier. In London, Chavez will be greeted by Hands Off Venezuela activists and supporters who have been waiting anxiously for a long time for this visit.

Chavez's programme in London will include a meeting with the London mayor, a press conference and meetings with supportive members of Parliament and with leading members of the British trade unions, which are preparing their first official delegation to Venezuela.

President Chavez's visit is particularly important because of all the hard work of the British solidarity movement over the last three years in defending the Venezuelan Revolution. This is particularly the case after Tony Blair's recent attack on Chavez in the House of Commons.

"This will be a fantastic occasion", stated Jorge Martin, the international secretary of Hands Off Venezuela. "This visit by Hugo Chavez will bring Venezuela up the political agenda and give a tremendous boost to the solidarity campaign."

The Hands Off Venezuela Campaign will be in the forefront of promoting this visit. The visit coincides with the launch of the new colour HOV magazine, which will be energetically sold in particular throughout Chavez's stay.

During Chavez's visit, Hands Off Venezuela will be organising a public



meeting on Tuesday 16th May to celebrate the visit. We will also be holding a social/screening that evening at a nearby location.

"This visit must be the launch pad to push the campaign onto a higher level", says Rob Sewell of the HOV National Steering Committee. "We must seize this golden opportunity with both hands!"

Following on the successful resolutions supporting Venezuela at the National Union of Students and Scottish

TUC conferences, other motions supporting the Venezuelan revolution, based upon the Hands Off Venezuela model resolution, are to be discussed at the conference of USDAW (the shopworkers' union) in Blackpool, the Communication Workers Union in Bournemouth, and the College of lecturers' union NATHFE, all of which are taking place in May. □

For more information contact:
britain@handsoffvenezuela.org

Students Pledge Support for Venezuela

by our correspondent

THE NATIONAL Union of Students at its Easter National Conference passed a resolution supporting the Venezuelan Revolution. The motion recognised the "enormous social change has taken place in Venezuela in recent years, with the government funding wide-ranging social programmes."

It pointed to the "dramatic increases in democratic participation, especially by indigenous people, women and the poor, including in eight national elections and referenda since Hugo Chavez's election as President in 1998." Again, it welcomed the "right to publicly funded free education including at university... (where), through literacy drives, over 1.2m Venezuelans have been taught to read and write since 1998, virtually abolishing illiteracy."

On healthcare, the resolution

explained that "more than 70% of the Venezuelan population for the first time now have access to free healthcare and medicines... through 'Operation Miracle' is funding up to 1,500 free eye operations daily for poor people in Latin America and the Caribbean. Over six million are expected to be treated over the next decade."

The resolution concluded by opposing US military intervention in Venezuela and the need to work with the trade unions and solidarity movement to provide student unions with information about education and healthcare achievements in Venezuela. Furthermore, it agreed to send a message of support to the Venezuelan Education Ministry commending the provision of free education and steps taken to eradicate illiteracy. □

Marx and the profit cycle - Part Two

by Michael Roberts

LAST TIME I left the discussion of Marx's law of the tendency of the rate of profit to fall with a graphic showing the movement of the average rate of profit in the US economy between 1946 and 2005. The graphic also showed the movement of the organic composition of capital over the same period.

able capital ($s/c+v$). The organic composition of capital is defined as the ratio of constant capital to variable capital (c/v).

Can we measure these value concepts in the hard-headed world of capitalist economics and statistics? We sure can. There is nothing mysterious and

ference between these two measures gives you the annual surplus-value as Marx defined it. All these data are available for the US going back to 1925. In the graphic I have only gone back to the end of WWII.

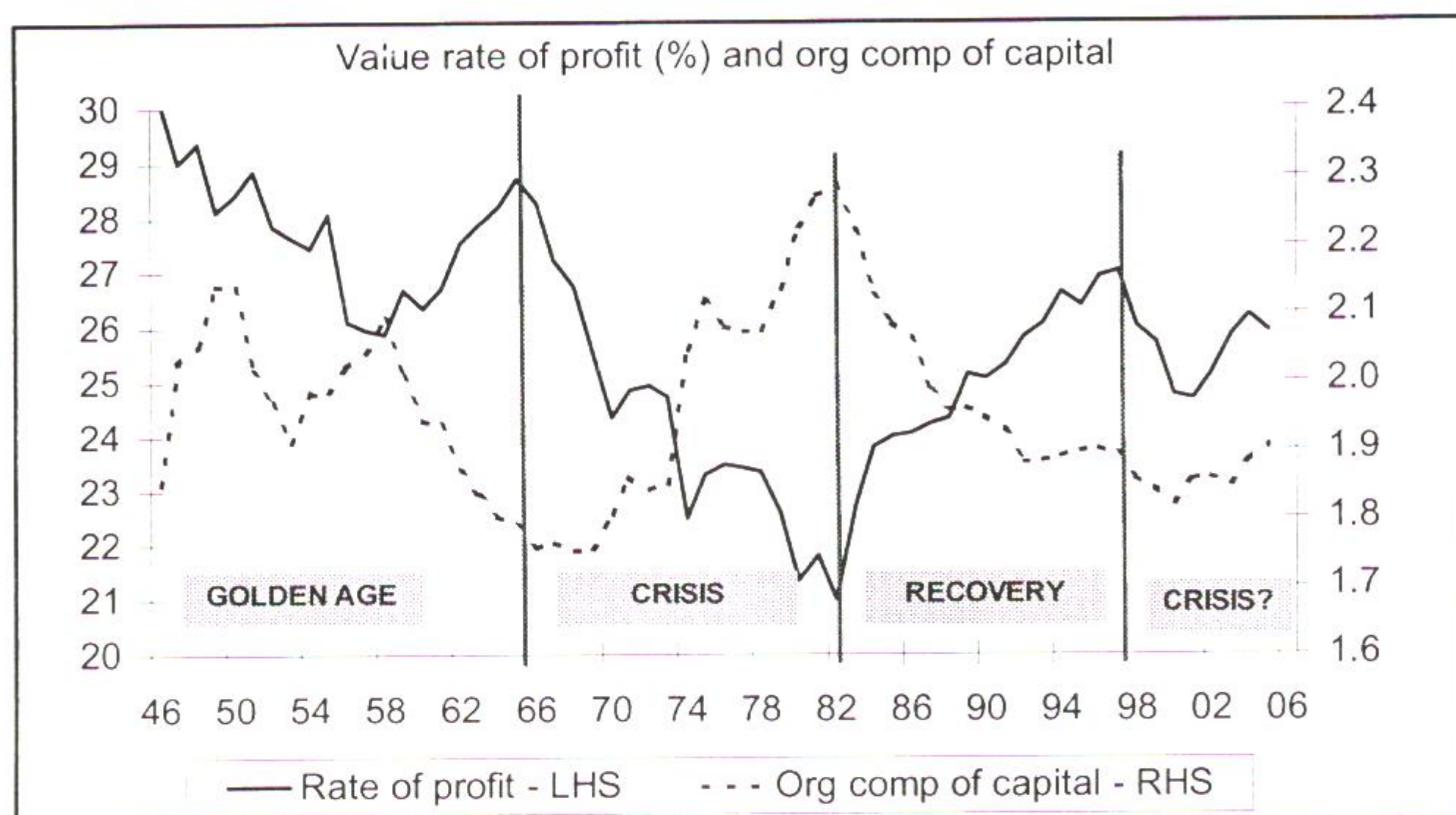
Thus the annual rate of profit is the surplus-value (GDP less employee compensation) divided by the sum of constant capital (fixed asset stock) plus variable capital (employee compensation). The organic composition of capital ratio is constant capital (stock of fixed assets) divided by variable capital (employee compensation). When you run the average rate of profit and the organic composition of capital data as a time series together, you get the graphic.

Now those of you who follow these things closely will know that these measures of the value rate of profit are only approximate. The problem with using GDP, for example, is that the capitalist statisticians include what they call 'depreciation' in GDP. Depreciation is a measure of how much of the fixed assets have been used up in any one year. That is not part of the value created by the workforce and ought to be deducted.

It could be balanced by using a measure of gross fixed asset stock for constant capital. Then both the top and bottom lines of the formula of the rate of profit ($s/c+v$) would include depreciation. However, for the US economy we only have data for net fixed asset stock, i.e. after deducting depreciation. But no matter - even though my measure is a simplification, it does not change the trends and turning-points shown in the graphic.

Marxist Definition of Profit

The orthodox bourgeois economists do not use the Marxist definition. They measure profits more or less as accountants do for a company. They take total revenues, deduct the cost of producing things or services that are being sold (including advertising and marketing etc), then make estimates of the 'depreciation' of machinery and plant being used; etc. That produces a



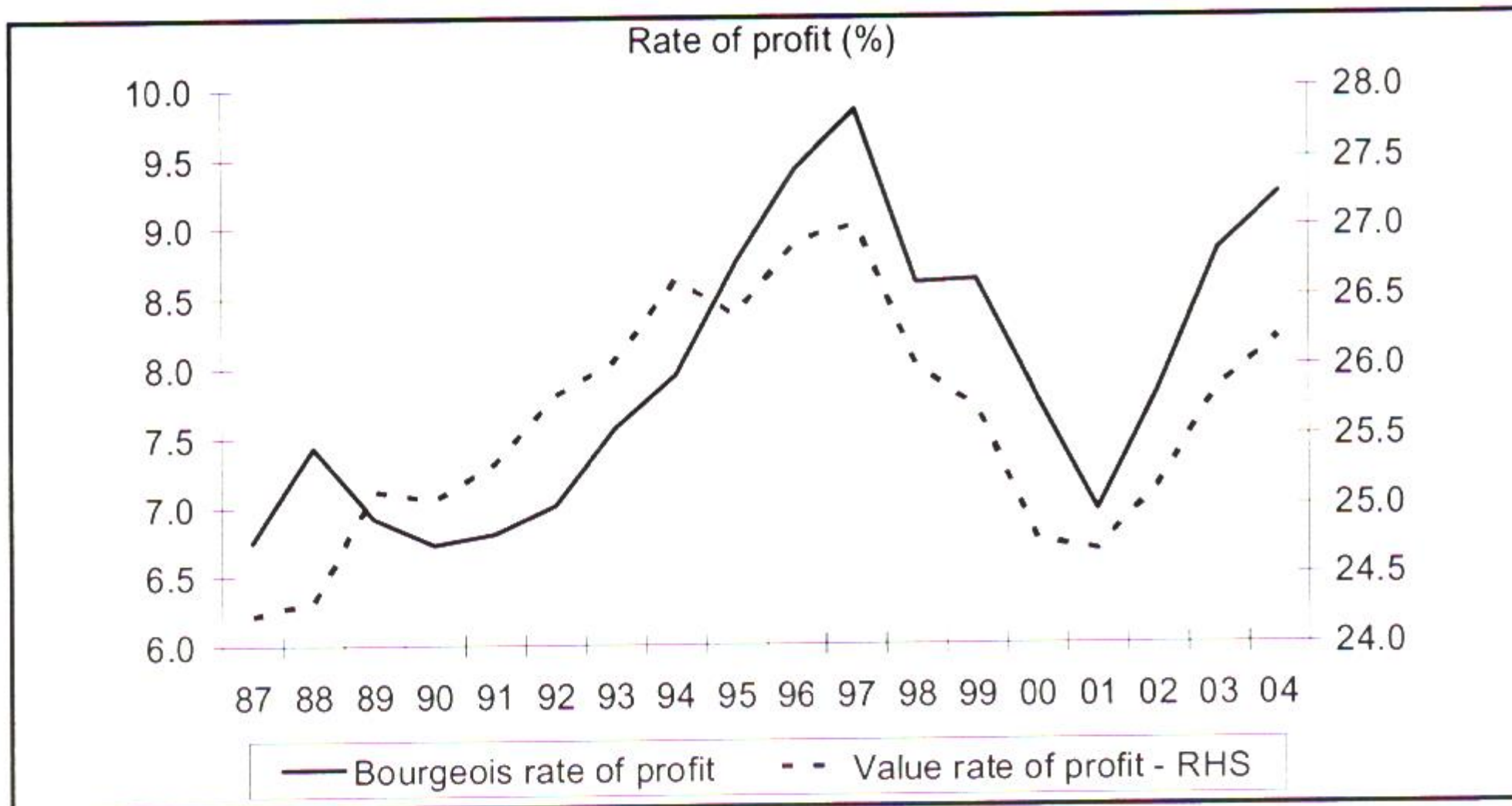
I indicated that the graphic shows several interesting things. First, the average rate of profit does fall under capitalism. Second, when it falls, the organic composition of capital rises, and vice versa, as Marx argued. Third, the average rate of profit was generally much higher in the period (the golden age) 1948-66 than it is now. Fourth, it appears that the rate of profit moves in waves of about 16-18 years, up, then down. Fifth, if that is right, we are now in a wave where the average rate of profit will fall and by around 2015 it will be as low, if not lower than, it was in 1982. Sixth, that means capitalism is now in an era where economic crisis will be more frequent and more severe and the political repercussions much greater.

Before I start to draw out some of the conclusions from these observations, let me explain how the data in this graph are worked out. We are trying to measure the rate of profit and the organic composition of capital by the Marxist definition. The rate of profit is defined as surplus-value divided by the sum of constant capital and vari-

or metaphysical about Marxist economic categories measured in value terms.

At the level of aggregates (the whole economy), the necessary data have been compiled by the US government's Bureau of Economic Analysis. We can measure constant capital as the value of the accumulated stock of fixed assets owned by businesses. We exclude houses and government-owned assets. Only the 'productive' assets that are committed by capitalists to make profits in business are relevant. Note that constant capital is not the annual investment made by capitalist businesses. It is the accumulated stock of investments over many years that are owned and controlled by the capitalists. It is against this accumulated capital that profits must be measured.

We can measure the value created by the American workforce in any one year very simply by the gross national product of the US economy. We can also measure the variable capital, namely the cost of employing that workforce to make that value, as the total 'compensation' of employees (that includes wages and benefits). The dif-



very different measure of profit compared with the Marxist surplus-value.

Also, the economists do not identify the cost of employing the workforce in their measure of profitability. Their measure of the 'return on assets' is really profit (as defined above) divided by the stock of fixed assets. In this way, the role of labour in creating value and surplus-value is hidden and lost. For the capitalist economists, profit is purely a return on the accumulated money capital invested by capitalists of things that they own (land, plant, machinery, stocks of raw materials). Thus it would seem that money invested in dead things, not living labour, produces profit. Profits go to the capitalists because they invested the money - it is nothing to do with the labour of the workforce.

But here is the interesting thing. When you make up a graphic of the rate of profit defined in the way capitalist economists do, it shows very much the same trends over the last 20 years as the Marxist value rate of profit graphic (see top of this page) and would also do if I took the data further back. That suggests the underlying validity of the Marxist definitions - but more of that on another occasion.

So what does the graphic on the value rate of profit (that's the one at the top of the first page) tell us? The most important message is that, on the whole, when the organic composition of capital ratio rises (right-hand scale), the rate of profit falls - and vice versa.

That is not always the case. But remember Marx's law was of the tendency of the rate of profit to fall. There would be periods when 'counter-vailing' forces would work to overcome the downward pressure on the rate of profit from a rising organic composition

of capital.

But you would have to say that there is a strong inverse relationship between the organic composition of capital and the rate of profit in the US from 1946-2005. The turning points in the direction of the organic composition of capital ratio match very closely the opposite turning points of the rate of profit.

So it would appear that Marx's causal explanation of the movement in the rate of profit is proven - it depends primarily on the movement in the organic composition of capital. That offers powerful support to Marx's argument that what generates profit under capitalism is the value created by living labour (working people), not some mystical role for private owners of capital.

And it also supports Marx's view that, if the amount of living labour is reduced relative to amount of money invested in dead capital (machinery and plant), then profitability will fall. Thus capitalism has an inherent tendency to go into economic crisis, wasting resources and destroying people's lives.

What the graphic also highlights is that there appears to be a profit cycle (and an organic composition of capital) cycle. Over the last 60 years, that profit cycle has had two upwaves and two downwaves, each of about 15-17 years. In the first wave, which I have called the Golden Age, profitability was very high throughout. And after falling back in the 1950s, it rose to reach a peak in 1965-6.

From then, the organic composition of capital rose and the rate of profit fell to reach a low in the economic recession of 1982. The rate had fallen sharply also in the first great post-war economic recession of 1974-5. But the

seeds had been set for these falls by the steady decline in the rate of profitability from 1966.

After 1982, such was the reduction in the organic composition of capital, the rate of profit steadily rose, apart from the merest of pauses in the recession of 1990-2, up to a new peak in 1997. This was the great period of disinflation (slowing price rises), low interest rates and, above all, new technological inputs of computerisation and the internet. Thus the value of constant capital was kept down and employment was maximised to deliver rising rates of profit.

But under capitalism all good things come to an end, at least for working people. After 1997, the rate of profit declined, at first even though the organic composition of capital continued to slide. This was probably because full employment allowed the workers to pull back some of the new value that was being appropriated by the capitalists as profits previously.

After the 2001 Recession

However, since the mild economic recession of 2001, the organic composition of capital has started to turn up ever so slightly. Profitability continued to rise for a while, however, just as it did for a while after the recession of 1974-5. But the value profit rate may have peaked in 2004 as it fell slightly in 2005. So the graphic still suggests that we are now in the downwave of the profit cycle similar to the period 1966-82.

Nothing in life goes in a straight line and both the long upwave and downwave of the profit cycle are interspersed with smaller turns (of about 4-5 years) that go in the opposite direction to the more secular wave. The period of 2001-5 is one such short upturn. I shall return to these shorter cycles on another occasion.

If this is all valid, then the profits cycle is telling us that capitalism will suffer from a falling profit rate that could go down to a low last experienced in 1982, or even lower. That would happen about 2013-14. So the next seven to eight years are going to be tough for capitalism, with extreme competitive pressures and with at least one, maybe two, economic recessions over that period of a severity not seen since 1974 and 1982.

To be continued...

1926 General Strike

The 1926 General Strike: On the Verge of Revolution

by Phil Mitchinson

"It is a conflict which, if it is fought out to a conclusion can only end in the overthrow of parliamentary government or its decisive victory."

Winston Churchill,
Tory Chancellor of the Exchequer

"I have never disguised that in a challenge to the constitution, God help us unless the government won."

Jimmy Thomas, Labour MP and
Secretary of the National Union of
Railwaymen

"There's never been anything like it. If the blighters o' leaders here... dinna let us down we'll hae the capitalists crawlin' on their bellies in a week. Oh boy, it's the revolution at last!"

ILP activist quoted
in John Paton's 'Left Turn'

Eighty years ago an earthquake shook the very foundations of British capitalism. In the greatest display of militant power in its history the British working class moved into action in the General Strike of 1926. For 9 days, from May 3, not a wheel turned nor a light shone without the permission of the working class. In such a moment, with such power, surely it ought to have been possible to have transformed society? How can such a position have ended in defeat?

The 1926 General Strike did not fall from a clear blue sky. During the first world war the miners, railway workers and dockers had formed the Triple Alliance of nearly a million and a half workers. At the height of the upsurge in class struggle in 1919 only the deception of the government and the vacillation of the leaders of these unions prevented an all out confrontation. In the summer of 1920 the Labour and TUC leaders for the first time threatened a general strike in the event of any renewed intervention by Britain against the young workers' state in Russia. Months later in 1921 the confrontation was to come to a head when the government announced that it was relinquishing control of the mines. The coal owners immediately announced

drastic wage cuts. The Miners Federation rejected their attack and the miners were locked out on March 31.

The movement in 1921 was like the prologue of the events to follow just five years later. Troops were dispatched to the coalfields. The Triple Alliance pledged to join the miners fight on April 15. On the eve, however, The Miners' Federation (The Fed) secretary Frank Hodges announced that a compromise was possible on the basis of local bargaining. This was decisively rejected by his own executive, but was seized upon by the other union leaders as an excuse to bow out. Strike notices were withdrawn and April 15 is remembered as Black Friday. The miners were left isolated. After a courageous struggle lasting three months they were defeated. Wages were scythed down by 10-40 percent almost everywhere.

Not for the last time, the defeat of the miners had a big impact on other workers. Amongst the miners themselves, anger with the government was matched by anger at the betrayal of Jimmy Thomas, the leader of the railway workers union. This betrayal was to be repeated on a far grander scale in 1926.

National Minority Movement

There followed a certain respite for the miners. After the crippling conditions imposed in 1921, a boom in mining in 1923, following the French occupation of the Ruhr, meant an increase in wages and a fall in unemployment.

A new militancy saw a shift left in the unions. The key to this swing left was the work of the National Minority Movement. This rank and file body had taken off in 1924 under the leadership of the young Communist Party (CP). The task of the Minority Movement was declared to be "not to organise independent revolutionary trade unions or to split revolutionary elements away from existing organisations affiliated to the TUC...but to convert the revolutionary minority within each industry into a revolutionary majority."

This proved a highly successful

strategy which we could learn a lot from today. They built their support amongst transport, railway and engineering workers and above all amongst the miners. When Hodges resigned from the leadership of the Fed in 1924 (to take up a government post) the Minority Movement supported the miners' agent for central Rhondda, Arthur James Cook, for the leadership. Cook had resigned from the CP in 1921 but still declared himself a "disciple of Karl Marx and a humble follower of Lenin."

Economic conditions were changing again. The French withdrawal from the Ruhr saw German coal back on the market and British exports slump. The new Tory Prime Minister, Stanley Baldwin, appointed that long standing enemy of the miners and the international working class, Winston Churchill, as Chancellor of the Exchequer. His first budget in April 1925 announced a return to the Gold Standard at pre-war parity with the dollar. This meant overvaluing the pound by 10%. The bosses of industry would have to make up this overvaluation by cutting costs. It would be workers wages and not bosses profits that would be slashed, and, as usual, the mine owners were the first to announce cuts.

Black Friday had not been forgotten. Since March the miners had been trying to organise a new Triple Alliance. With nothing yet finalised, the miners turned for support to the full General Council of the TUC. It placed itself "without qualification and unreservedly at the disposal of the Miners Federation."

Other industrial unions were joining the Triple Alliance. It was clear that the attack on the miners would be repeated across the board. All workers would face the same attacks if they were not beaten back now.

This was confirmed by Baldwin himself. The miners reported to a meeting of union executives that Baldwin had declared "All the workers of this country have got to face a reduction of wages to help put industry on its feet."

It was clear to both sides that a serious fight was brewing. Baldwin moved to buy time by introducing a

1926 General Strike

nine month subsidy to maintain the miners previous agreement while an inquiry into the mining industry took place. There had been many such inquiries before. Their findings had never been to the liking of governments or coal owners. Most advised some form of nationalisation for the mines. In reality Baldwin and co were not interested in any Report, only in buying time to be better prepared for an all out confrontation.

On the workers side Cook understood this. "Next May" he announced "we shall be faced with the greatest crisis and the greatest struggle we have ever known and we are preparing for it.... We have already beaten not only the employers, but the strongest government in modern times."

Such a victory, and more, could and should have been possible. The main obstacle however was not 'the enemy', the employers and the government, it was the union leaders.

"The only class I fear is our own"

The views of the right wing bureaucrats were most clearly expressed by JR Clynes of the General and Municipal Workers union, "I do not fear on this subject to throw such weight as I have on the side of caution. *I am not in fear of the capitalist class. The only class I fear is our own.*" (my emphasis)

While these ladies and gentlemen were preparing to surrender before the fight had even begun, the ruling class were preparing with gusto.

The ramshackle Emergency Supply and Transport Committee set up by Lloyd George in 1919, and beefed up in preparation for a fight at the time of Black Friday in 1921, was reorganised. It was built up and joined by a 'volunteer' body, the Organisation for the Maintenance of Supplies. The OMS were an unsavoury bunch including the fascists.

The ruling class, the employers organisations and the state were all busily preparing a showdown. The TUC General Council, meanwhile met to consider its role for the first time on April 27, 1926 - three days before battle lines would be drawn and the government subsidy end.

By now unemployment had risen, and union membership fallen from 8.25 million in 1920 to 5.25 million. The union leaders had neither the desire nor the will to fight.

The publication of the Samuel Report, the findings of the government inquiry, was their great hope. The report damned the coal owners, but stopped short of calling for nationalisation as earlier reports had done. It called for wage cuts, but the retention of national agreements and a reorganisation of the industry.

The National Minority Movement immediately condemned the report. They convened a National Conference of Action in London on March 21 which represented hundreds of thousands if not a million workers. In the Minority Movement we saw the basis for a mass Marxist force in Britain. However, the CP policy was based on the Anglo-Russian Committee, a bloc between the Russian unions and the General Council of the TUC. This bloc led the CP to support the lefts in the union leaderships against the right and tone down their criticisms. Appallingly, this bloc with the General Council actually continued for a year after the strike was defeated at the hands of the TUC leaders. In the end it was the British union leaders, who had only ever used the bloc as a convenient red coloration before their members, who broke up the committee in 1927.

The CP had set up groups in 300 pits and factories by the beginning of 1926. They held important positions too in the Trades Councils which were to play a leading role in the local organisation of the General Strike. They should have been in a solid position to grow rapidly, provided they had a correct policy, a policy based on exposing the bankrupt union leaders of right and left varieties.

Cook stuck by the miners position "Not a minute on the day, not a penny off the pay". The TUC leaders, however, saw the Samuel report as a way out. The coal owners posted notices that all employment on current conditions would terminate on April 30.

The TUC's Industrial Committee asked to speak to the Prime Minister, desperate to find a way to avoid a conflict. While the TUC leaders continued to plead with Baldwin to intervene on their behalf, they should have been



preparing their own forces. Baldwin was already intervening on behalf of his class. The government was not some independent arbiter from which the workers could gain even-handedness. It was, and remains, in essence a committee for organising the affairs of the ruling class. Baldwin was preparing to fight his enemy, even while the officers of the opposing camp were knocking on his door asking for his help.

On the afternoon of April 30 the bosses announced their proposal. A return to the Minimum of 1921, a 13% cut in pay and an eight hour day.

On Saturday May 1, one million miners were locked out. The General Council now assumed responsibility for the miners' dispute. They immediately contacted the government for talks, and prepared to call out the 'front ranks' from midnight May 3. On Saturday evening they went to meet the Prime Minister. Baldwin realised that the TUC leaders were terrified of a general strike and wanted to give them some room to manoeuvre. The rest of the cabinet however were ready for the fight. They issued a statement demanding the TUC's complete capitulation. Another round of cat and mouse followed with negotiations over this or that wording which might allow the TUC leaders to back down and abandon the miners again. At 11pm the miners executive joined the General Council in number eleven Downing Street. The miners and the General Council rejected the sell out they found on the table, and Bevin instead tried to draw up a compromise which might be acceptable to the miners. These plans were interrupted however when Baldwin informed the TUC leaders that negotiations were off because workers at the *Daily Mail* had started the strike already. The General Council left Downing Street with a letter from the

1926 General Strike

cabinet demanding "repudiation of the actions referred to that have already taken place, and an immediate and unconditional withdrawal of the instructions for a general strike."

The TUC leaders rushed off to find out what had happened at the *Mail*. It turned out to be an unofficial walkout by workers refusing to print the paper's lead article 'For King and Country'.

Instead of supporting the printers, Citrine, on behalf of the TUC, scurried back to Number Ten with a letter repudiating this action, but found the Prime Minister had already gone to bed and could not be disturbed!

Bevin's compromise proposals were now put to the miners executive, who rejected them 12 - 6. The General Council however approved the plan unanimously and endorsed the view that they were now in charge of the miners' dispute. Once again they thought they had found a way to back out of the fight. However, the government were not interested, they would only accept a guarantee that the miners would accept a cut in wages, and would not negotiate at all unless the strike was called off.

A State of Emergency was declared in parliament. During the debate the representatives of the ruling class showed a thorough understanding of the nature of class struggle and the events that were about to unfold. Baldwin announced that we have been "challenged with an alternative government... I do not think that all the leaders when they assented to ordering a general strike fully realised that they were threatening the basis of ordered government, and going nearer to proclaiming civil war than we have been for centuries past..."

The government's plans had been prepared for years. They passed an

Emergency Powers Act; food, coal and petrol were stockpiled. Regional Civil Commissioners were given dictatorial powers, and all ready to go into action on receipt of a one worded telegram - "Action!" The telegram was sent out on May 2. All army and navy leave was cancelled. Troop reinforcements were dispatched to Scotland, South Wales, London and Lancashire. Warships docked in the Tyne, the Clyde, in Swansea, in Barrow, in Bristol and in Cardiff.

The OMS handed over its organisation to the government. There were maybe 100,000 of them. These were the forces lined up against the working class.

Yet when 4 million out of 5.5 million workers are out, the question is inevitably posed, where does power really lie? No matter what its initial aim, a general strike raises the question which class rules in society? The leaders, if they are not prepared to see that struggle through to a conclusion, have no other alternative but to betray the movement. This is a cardinal lesson of 1926.

On May 4 transport was crippled. The NUR and ASLEF were solid. London was choked. Only 15 out of 315 tubes ran. On Tuesday 4 May 300 out of 4400 buses were running. By the end of the week that was down to 40. Nine of 2000 tramcars operated. This picture was repeated around the country. From the first moment the power of the working class was evident. Nothing moved without the workers say so. By the end of the first day builders, printers, iron, steel, metal and heavy chemical workers had joined transport and railway workers and dockers. The strike was solid.

Churchill undertook the production of a newspaper, a filthy rag called *The British Gazette*, the sole aim of which was to spread propaganda, lies that there was a drift back to work etc.

The TUC response was *The British Worker*. Instead of

rallying the troops and taking the movement forward the main task of this journal seemed to be to refute the *Gazette's* slanderous accusation that the unions were organising a revolution.

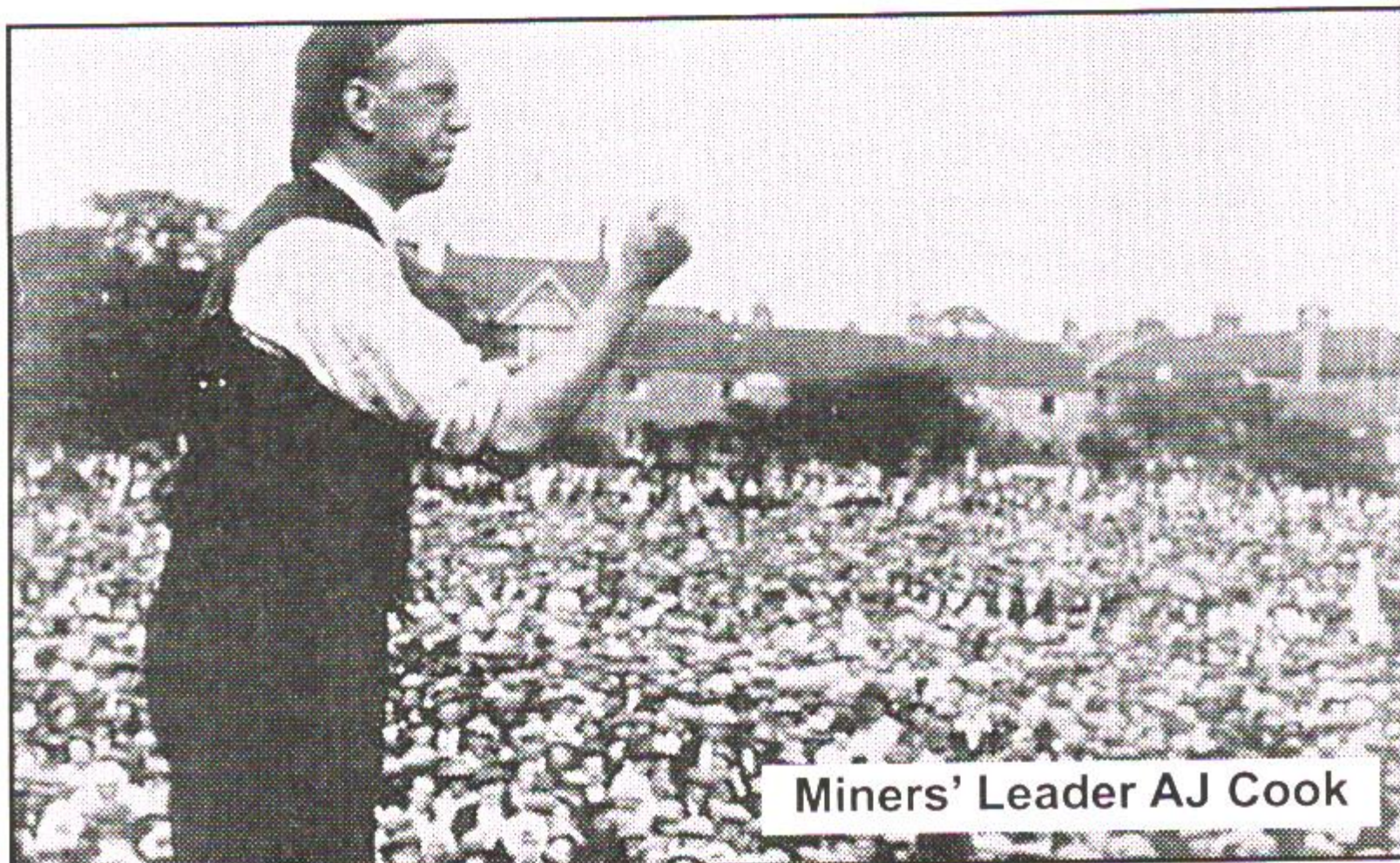
The role of leadership should have been to counter the lies of the bosses, to spread the movement and take it forward. Instead they were desperately trying to keep control of the men and women they were marching up to the top of the hill in order that they could march them back down again. Jimmy Thomas, the Grand Old Duke of York, admitted as much in the Commons on May 13 "If by any chance it should have got out of the hands of those who would be able to exercise some control, every sane man knows what would have happened... That danger, that fear was always in our minds, because we wanted at least, even in this struggle, to direct a disciplined army."

Councils of Action

The army of labour was well organised, at least locally. Councils of Action grew in size and authority across the country. They took responsibility for organising permits for transport, picketing, entertainment and financial assistance for those in most need. In East Fife a workers defence corps was organised. Initially consisting of 150, its ranks swelled to over 700 when clashes with police illustrated clearly the need for such a body. In Bolton, Merthyr and Methil well organised Councils of Action functioned alongside Central Strike Committees. Some outstanding local strike bulletins were produced, although these were discouraged by TUC headquarters.

In large parts of the country control of the roads, transport and distribution was firmly in the hands of the Councils of Action, but these were never linked up, there was no nationally co-ordinated policy. The Paisley strike committee spoke for many, the "chief difficulty lay in getting accurate information from headquarters, particularly in regard to the issuing of permits."

Churchill and Baldwin exaggerated, there was no alternative government, but there could have been. Linking up the councils of action and strike committees across the country would have been the basis for just such an alternative government, a workers government. That would have meant taking



Miners' Leader AJ Cook

the struggle from a defensive one to save the miners, to an offensive one to change society. Unfortunately the TUC leaders were not even prepared to carry through the defensive battle.

Their own recent history gave no reason to have any illusions in the tops of the unions. Even the most honest and courageous of the workers leaders, Cook, had no clear perspective and plan of action. The Communist Party limited itself to supporting the left union leaders. Some of the best local leaders were Communists, they held important positions in most Councils of Action and strike committees. However they did not see a revolutionary potential in the movement before them. Karl Radek in Russia gave the British CP their lead, "this is not a revolutionary movement. It is simply a wage dispute." Indeed it was not yet a revolutionary movement, but a strange mere wage dispute which involves a general strike, councils of action and in some parts of the country, like the north east, almost dual power with the workers in control of everything that moved. No, this was not simply a wage dispute. It was a defensive battle, but one which was by the day and the hour increasing the confidence of the working class. They could see and feel the power at their fingertips. After the strike there were over 3000 prosecutions, more than half of them were for acts of incitement, one Lambeth tram cleaner, for example was fined £5 for shouting, "We want the revolution."

Instead the order came on May 10, via the British Worker "Stand firm. Be loyal to instructions and trust your leaders." Those leaders were desperately scurrying around looking for the fire exit. They found it in the return of Samuel. Once it dawned on Thomas and co that the ruling class weren't willing to compromise, they realised that they had no alternative but to...capitulate. All sorts of excuses like the alleged drift back to work (in reality there were more workers coming out every day) were wheeled out to justify backing Samuel's new proposal. This included promises of reorganisation of the mines but insisted on a wage cut. The General Council backed the proposal. The miners naturally rejected it and were rightly appalled that even the basic demand of trade unionism, a clause guaranteeing no victimisation of those who had been on strike, had been omitted. They were

told to take it or leave it. On May 11, after a week, with the strike growing in dimension and confidence the TUC decided to call it off the next day without any guarantees on further negotiations, without any defence against victimisation, without even the promise of an end to the lock out. This was abject surrender.

The government immediately announced it as such, declaring that it had "no power to compel employers to take back every man who has been on strike." The union leaders sent out messages to their members promising that "assurances had been given" there had been "firm undertakings" etc. Around the country workers greeted the news with incredulity, with a mixture of anger and dismay. The workers had been betrayed by those leaders who kept asking them to trust them. The bosses immediately tried to ram home their advantage. There were sackings and wage cuts everywhere. One group of strikers wrote in *Lansbury's Labour Weekly* a week later "The bosses in all trades felt...that now they had the trade union movement at their feet, and all they had to do was to stamp on it."

TUC Surrender

As a result of these attacks and anger at the TUC's betrayal, there were 100,000 more out on the day after the strike had been called off than there had been on its first day. *Churchill's Gazette* was like a red rag to the workers with its headline reading: "Unconditional withdrawal of notices by TUC. Men to return forthwith. Surrender handed to Premier in Downing Street."

However the cowardice of the leaders should not be mistaken for the mood of the workers. The bosses were in danger of going too far. Fenner Brockway wrote from Manchester "*The Gazette*...chortled over the great surrender but the temper of the workers was more militant than ever and in Manchester there was no thought of going back...For the first time feeling was bitter - bitter against employers who were everywhere victimising the local strike stalwarts, and bitter against the TUC General Council. It looked as though the end of the strike might be the beginning of the revolution."

The TUC surrender could have ended in a rout but for the struggle

and militancy of the workers themselves who managed to minimise the nevertheless vicious attacks of the bosses. After a week however, without leadership and direction, seeing no way forward workers did begin to return to work.

The miners were isolated again. Despite the willingness of the workers to fight on, the NUR leaders now even refused to embargo the movement of coal. The TUC refused to arrange a levy for the miners. After a heroic struggle, locked out for seven months, the miners went back to work, at least those not victimised, on longer hours, with less pay and no national agreement. The ruling class had spent hundreds of millions of pounds, yet with all the resources at their disposal they could never have defeated the general strike but for the treachery of the TUC leaders.

The Communist Party grew from 6000 to 10,000. This was small fry however, with a correct policy they could have gained ten times as many.

The defeat, or more accurately surrender, led to the introduction of vicious anti-trade union legislation in the form of the Trade Union Bill of 1927, where sympathetic strikes were outlawed and trade unionists had to opt in rather than opt out of the political levy. Sound familiar? There are indeed eerie comparisons with the miners strike of 1984-5 where the heroic struggle of the miners and the support of the rank and file of other unions was only matched by the treachery of the TUC and Labour leaders. The miners defeat in 1985 had a dramatic impact on all workers and on the bosses who launched attacks on other sectors while almost identical anti union legislation was introduced.

The coal owner Lord Londonderry had predicted in 1926 that the unions would be smashed from top to bottom. They were not. The TUC surrender had a profound impact on workers, but their will to struggle returns again and again. What is lacking on each and every occasion is a leadership worthy of the workers willingness to fight. In the Minority Movement we had the beginning of such an alternative leadership for the unions. Today, too, the task must be to build such a new leadership for the workers organisations. The first step must be for us all to study and learn the lessons of the history of workers' struggle. □

The End of the CPE : An Important Victory for Youth and Workers of France

by Greg Oxley - www.lariposte.com

THE WITHDRAWAL of the CPE is a humiliating defeat for Chirac and the de Villepin government. They came out of this ordeal completely discredited. It is also a defeat for Sarkozy, the UMP and the MEDEF – even if, faced with the scope of the anti-CPE mobilisation they ended up distancing themselves from this project, like rats fleeing a sinking ship. The UMP is divided and demoralised. An electoral defeat looms in 2007. François Bayrou has aptly summarised the seriousness of this defeat by describing it as an “atmosphere of collapse” and the reign of “institutional chaos” in the higher levels of the state.

After the struggle against pension reforms in 2003, against the referendum on the European Constitution, the long and bitter strikes in Marseille and elsewhere, and the revolt of the estates in November last year, the massive mobilisation of youth and workers against the CPE constitutes new evidence that France has entered an era of great social and political instability. The underlying causes of this instability were analysed in our document *De l'impasse capitaliste à la révolution socialiste*, published in October 2005. They are based on the inability of French capitalism to develop the economy – the annual growth rate of which has fluctuated between 0% and 2% for several years – and on the economic, diplomatic and military decline of French imperialism. The national debt of the French state, which exceeds more than 1,100 billion Euros, 65% of the GDP, is an expression of the bankruptcy of the system as a whole.

Capitalism at an impasse

Far from being able to guarantee any “social progress”, the capitalist system can no longer sustain itself without taking back the social gains of the past. There is not one single field of econom-



ical and social life in France where any progress is being made. On the contrary, we are seeing a total social regression, be it in the field of employment, wages, accommodation, social security, public health, education, the rights and working conditions of the workers etc.

No society can continue on such a downward slope indefinitely. Marxism explains that when a given social order becomes a fetter on the development of the productive forces and can only exist at the expense of the interests of the mass of the population, then we enter an era of revolution. True, strictly speaking, France is not experiencing a revolution yet. But a revolution is not a single act starting from nowhere. It is a process that can stretch out over several years and which is punctuated by turning points and decisive events. A revolution is characterised first and foremost by the entry of the masses, who are normally passive, onto the stage of history. From this point of view, the social turbulence France has experienced since 1995, which featured millions of inactive youth and workers coming into action, is only the first tremor of a revolutionary volcano that will erupt in the coming years.

There is no solution to the serious social and economic problems created by capitalism on the basis of this very system. The interests of the capitalist class have become completely incompatible with the great social achievements of the working class. In these

circumstances, the social gains and the resistance against the continuous attacks of the bosses and the government must be linked with the overthrow of the capitalist order and its replacement with socialism.

Have the workers and youth drawn the same conclusion? Some have. And their number is growing. After an experience like the struggle against the CPE, many youth and workers are drawing revolutionary conclusions. True, at this stage the vast majority of workers and

youth have not yet come to these conclusions. But in the end they will – not on the basis of theoretical study, but on the basis of their own harsh, collective experience: that of the struggle against the permanent social deterioration imposed by capitalism. The struggle against the CPE is part of this learning process. And it is in effect full of valuable lessons.

A definitive answer to the sceptics

The mobilisation against the CPE is a terrific illustration not only of the determination, the political intelligence and the great organisational capabilities of the youth and workers, but also and in particular of the enormous potential power of our class. It is a definitive answer to the sceptics and petty bourgeois chatterboxes who claim that the workers and youth are apolitical, powerless, gullible, manipulated, passive – in one word, good for nothing. And we have to recognise that even in the CGT and PCF it is not unusual to meet activists who, while being workers themselves, have lost confidence in the fighting spirit of the workers and youth.

Today's wage labourers have an enormous power. They provide absolutely all essential functions of the social organism. Without workers, nothing gets done. For a long time, and even in the fight against the CPE, they have not thrown their real weight into the balance, but the day they do, the

whole capitalist class, its whole state apparatus and its precious "institutions" will find themselves completely powerless, hanging in the air, without any real support in society. As soon as the masses become conscious of their colossal power, the possibility will open up to finish off capitalism and to take control over the economy, the government and the state.

The general strike

From the beginning, the threat of a general strike hung over the struggle against the CPE. The trade union leaders, anxious to keep the protests within certain limits, did not dare to raise the demand for a "general strike". But the accumulation of injustice, discrimination, insecurity and poverty has created a potentially explosive social situation. In these circumstances an unlimited general strike could have developed independently of the demands put forward by the trade union leadership. In 1968 the demands of the unions did not go further than a 24-hour general strike. It was the workers themselves who transformed it in an indefinite strike. During the struggle against the CPE the possibility of an "escalation" of this sort was taken very seriously by the government and the MEDEF because behind the arrogance and the façade of the capitalists and their representatives, the more intelligent amongst them understand that a genuine general strike would pose a potentially mortal threat to their system.

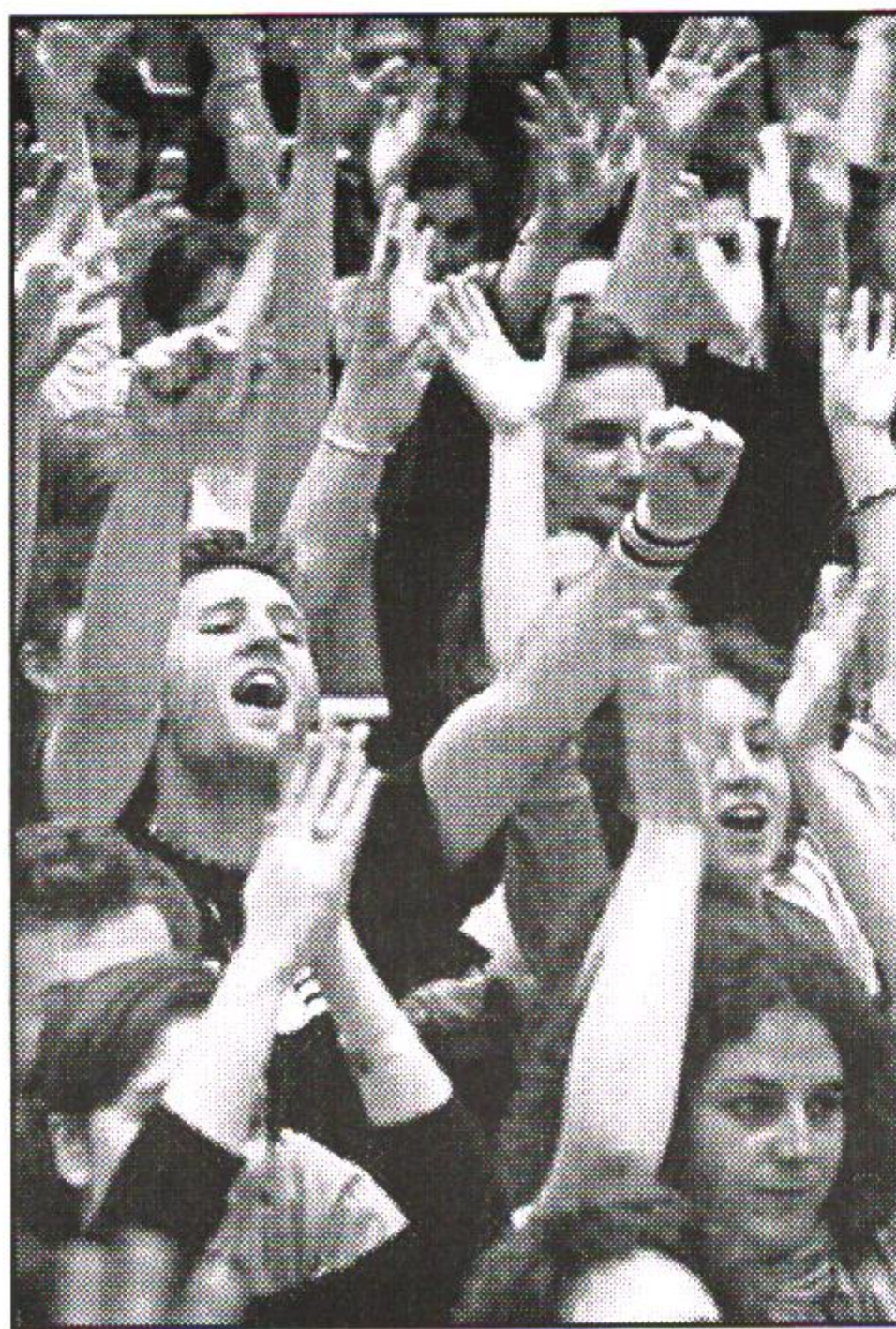
If a general strike starts off as a limited protest strike, it can always be transformed into an unlimited general strike, as the example of May 1968 shows. A strike of this type completely paralyses not only the national economy but also, very quickly, the functioning of the state and the government. The workers then start to realise that they are in charge of all the wheels of society and that at the end of the day, despite the fact that bourgeois "society" looks down upon and denigrates them, they are society. As in a passage in *The Internationale*: "We are nothing, let's be everything!" As soon as the working class gets hold of such an idea, it becomes a material force with an enormous power, which opens up the perspective of the overthrow of capitalism, regardless of the initial demands that started the process. That is why the stubbornness of Villepin has

caused panic in the capitalist class and the right-wing parties.

Under the pressure of the streets, the leaders of the PS publicly declared that the CPE and the CNE would be immediately abrogated by the next socialist government. Therefore, facing this massive wave of demonstrations and the risks that this includes, the question is posed from the point of view of the capitalist class; why were they so determined to implement the CPE which would only be in force for less than one year. Was it really worth all the effort? At first glance, it seems incomprehensible that de Villepin and Chirac would bring these risks to the ruling class – but only at first glance.

After the demonstration of March 28, Chirac and de Villepin certainly understood that it would be better to withdraw the CPE. And yet, in his televised address on March 31, Chirac attempted to maintain the law while at the same time make a few absolutely derisory concessions. In fact, by this time, what was at stake in the conflict had largely gone beyond the question of the CPE. It touched the very foundations of the Republic.

Prestige occupies a very important place in bourgeois politics. This is true for the prestige of individuals – Chirac, de Villepin, Sarkozy, etc. – but above all for the prestige of the institutions of the state. This is not by chance. These institutions and all the pomp and ceremony are aimed at intimidating the working class – from the architecture of the official buildings to the pompous



rituals of the state, including the exorbitant lifestyle of its representatives. The capitalist state must appear powerful, inviolable, and sacred. Some UMP representatives declared that if "the street" or the "ultimatums of the trade unions" achieved the withdrawal of the CPE, there would "no longer be a state", and that this would announce the "end of the (capitalist) Republic". There is an element of truth in this. It is indeed very dangerous from the point of view of the defenders of capitalism that the youth and the workers understand that the state is not all-powerful, and that a few weeks of demonstrations and blockades and occupations of high schools and universities is enough to create an "atmosphere of collapse".

It was in order to present a semblance of institutional stability, and in order to save the "authority of the state", that Chirac wanted to keep de Villepin at his post, even though his defeat was at least as serious, for the right wing, as the victory of the "no" in the referendum of May 29, which led to the departure of Raffarin. It was also done to keep up appearances, to save face, and to win time to manage the Sarkozy-de Villepin conflict which we were treated to from April 5-8 over three days of "consultations" with the leaders of the trade unions – who should have refused to take part in this little game.

The "moderates" under pressure

Faced with the unwavering determination of the youth and extraordinary power of the mobilisation on the ground, even the more "moderate" leaders of the trade unions had no choice but to insist on the withdrawal, pure and simple, of the CPE. How else does one explain that François Chérèque – who we must remember cynically betrayed the struggle against the "reform" of pensions – insisted so firmly on the withdrawal of the CPE? By conviction? He took the introduction of the CNE calmly. No, it is above all fear that forced Chérèque to move – fear that if the government refused to budge that the movement would reach much greater proportions.

All throughout the conflict, Chérèque wore the downcast expression of a profoundly anxious man. After his meeting with de Villepin on March 24, exasperated by the intransigence of

France



the Prime Minister as the mobilisations grew in size and scope each day, Chérèque declared: "We have already explained very clearly to the government the situation we find ourselves in". In effect, the movement against the CPE – and the possibility that it could transform into a class confrontation comparable to May 1968 – constituted an extremely serious potential danger in the eyes of all the supporters of capitalism, including those in the leadership of the trade unions.

What applied to Chérèque also applied to the leader of the FO, Jean-Claude Mailly. Instead of seeing the struggle against the CPE as a springboard for the development of a general struggle against capitalism, these so-called leaders were permanently concerned with "restoring calm", by going back first to the proposals of de Villepin, then of Chirac, and finally of Nicolas Sarkozy – "the only worthwhile representative of the government", to quote the expression of Chérèque on April 4. Bernard Thibault and the national leadership of the CGT also showed too much indulgence towards the government. It was not only the abrogation of the CPE that they should have demanded, but the entire "Equality of Opportunities" law.

This willingness to limit the size and scope of the actions and the range of the demands was also true for the leadership of the Socialist Party. François Hollande and Chérèque are cut from the same cloth. The leadership of the PS did not demand the dissolution of the National Assembly. They had no desire to come to power in the context of a social mobilisation of such size. They were content to demand the withdrawal of the CPE in order to restore calm. Such was the content of the "solemn" appeal of March 31 for the intervention of the head of state: thanks to the withdrawal of the CPE, said this appeal to Chirac, it will be possible to put an end to the "harmful climate" in the country and to put the handling of the crisis back into the hands of the National Assembly – dominated by the right wing. Above all "the institutions of the state must not be shaken". Unfortunately, the leaders of the PCF did not at all distinguish themselves from the line of the PS on this question. And finally it must be noted that the LCR, which never ceases to urge the leadership of the PCF to break off all relations with the Socialist Party, also signed the appeal written by those it qualifies as "social-liberals".

The struggle for socialism

The withdrawal of the CPE is a very important victory. It reinforces the morale and the fighting spirit of the workers and youth. It will contribute to the forging of a new generation of militants against capitalism. However, the achievements of the movement are less than what could have been achieved. The CNE still stands, as well as the articles allowing those as young as 14 to work, night shift work for those starting at 15 years of age, and precarious con-

tracts for the elderly – amongst others. We must demand the abrogation of the entire reactionary law, and not simply article 8. Furthermore, if the leaders of the left had demanded the immediate calling of presidential and legislative elections, it would have been massively supported.

The government has been weakened, but before being swept into the dustbin of history in 2007, it will certainly attempt, as soon as the opportunity presents itself, to launch new attacks against the working class and the youth. The victory against the CPE, like the victory against the European Constitution last May, should not blind us to the particularly grim future capitalism has reserved for us. Even without the CPE, precariousness and unemployment will get worse, and along with them misery and despair. Social and racial discrimination, which were at the heart of the revolt of the estates, will also continue to persist.

The left will return to power in 2007: it is almost certain. But if the socialist and communist leaders content themselves with an abrogation here and there and other superficial measures, all the while leaving intact the domination of the economy in the hands of the capitalist minority, they will prove themselves incapable of solving the increasingly serious problems wearing down French society, which condemn the vast majority of youth and workers to unbearable conditions of life. In order that the end of the CPE does not become a Pyrrhic victory, it is absolutely necessary to connect the struggle against exploitation and against all the injustices of capitalism with the struggle for a new society, a socialist society, in which control over the economy will be firmly in the hands of the workers themselves. □

Workers of the world unite! Forward to Socialism!

We have received May Day greetings from many of our supporters, and from many of the Marxist tendencies and organisations around the world whose activities and ideas can be followed via links at www.marxist.com

We would like to send May Day greetings to workers and youth in struggle everywhere and to our comrades in Venezuela across Latin America; the USA and Canada; all over Europe; and across Asia, in Pakistan and elsewhere.

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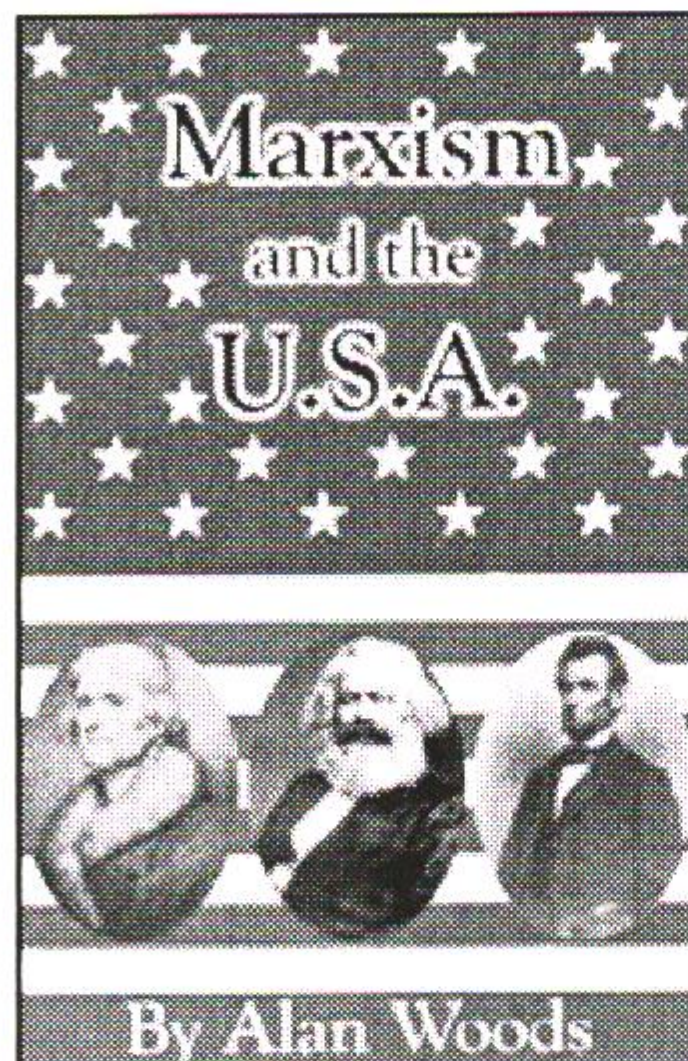
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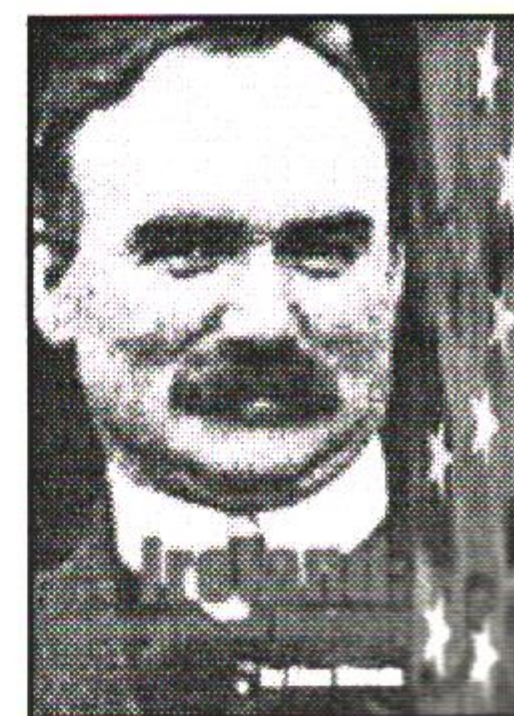
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This book by Alan Woods is essential reading for all those who want to understand what is happening in Venezuela today. But this is no mere description of events. It is a powerful Marxist analysis of the Venezuelan Revolution, its weak-

nesses 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.

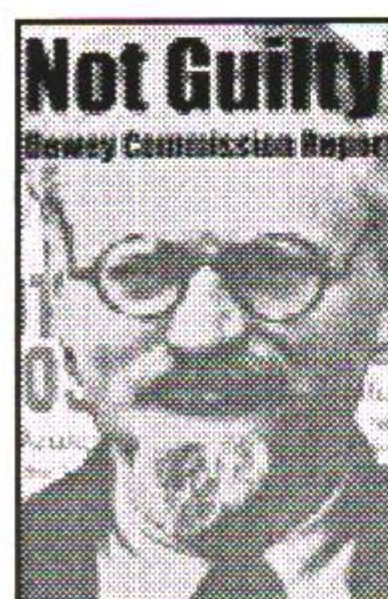
Today Latin America is in the vanguard of world revolutionary developments and, within the Latin American continent, Venezuela stands out sharply as the country most affected by this process. It would be no exaggeration to say

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.

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Hung parliament will prepare new explosions

by Roberto Sarti and Fernando D'Alessandro - www.marxismo.net

THE ITALIAN election results came as a surprise for a lot of people in Italy. After a night in which the two coalitions were running neck and neck, the final results came out confirming that Prodi's "Unione" (the centre-left coalition) had won, but only by a very small margin.

In one of the two chambers, the Senate [or the Upper House], Berlusconi's coalition actually received more votes, but thanks to the electoral system Prodi can rely on a narrow majority of just two Members of Parliament. In the other chamber, (or the Lower House) "la Camera", the centre-left coalition won by just 25,000 votes (out of 34 million votes cast!). In the past this would have meant an extremely weak position for the government in Parliament, but thanks to a reform of the electoral law pushed through by the Berlusconi government, the centre-Left "Unione" will receive a "majority bonus" of about 70 MPs.

What is clear from these results is that Italy is a deeply divided country and has entered a period of great instability. This was already clear before the elections. The results have merely confirmed this fact in a striking manner. The question one has to ask oneself is this: how was it possible for Berlusconi to scrape back so much electoral support after five years of attacks on the working class and all the blatantly pro-capitalist policies that his government has carried out? In these five years we had huge mobilisations of the working class that had pushed the government into a corner. In every election, at local, regional or European level, the right wing had experienced big defeats, one after the other.

Several factors contributing to this scenario. Firstly, in the last few months, since January, a mood of "wait and see" emerged within the wider ranks of the labour movement and also among the leaders of the left as well as the activists. Many of the leaders of the left felt they had victory safely in their pockets.

After the struggle in Val Susa against the high speed train line and the metal workers' mobilisation around



the renewal of their labour contract, no further mobilisations were called by the leaders of the working class organisations, both trade union and political. The previous electoral defeats of the right wing were all preceded by important struggles of the working class, thus heightening class awareness of the real issues involved.

The comeback of Berlusconi flowed directly from the position adopted by the leaders of the "Unione" in the months running up to the election. Week after week Prodi and the other leaders of the centre-Left bent over backwards to water down any significant reforms in their programme and did their best to show the bosses that they could be trusted if they got into government.

Thus they announced that they would not undo any of the laws that have imposed a casualisation of the labour force, there would be no reversal of any of the privatisations so far carried out, and no improvement in the social services destroyed by five years of the Berlusconi government. Prodi made it absolutely clear to everyone that his first priority in bringing Italy out of the economic crisis it finds itself in would be to "reduce the cost of labour". This would be an intolerable burden for the Italian workers, as their wages are already the lowest in the EU after Portugal and Greece (excluding the new members from the former Eastern European bloc!).

We must not forget who Prodi is. This is no man of the left. His roots go

back to the old defunct and corrupt Christian Democracy. He has a history as an advisor to governments on how to privatise state assets, and he has also been in office before. The first time he came into office there were greater illusions among the workers that he might do something to stop the privatisations and attacks on wages and welfare. But of course he didn't. Prodi is the bourgeois leader of a coalition of small bourgeois parties and the parties of the working class (DS, PRC and so on). It is a class collaborationist coalition, aimed at using the leaders of the left, in alliance with the unions, to implement the policies of the bosses. We also have to remember that Prodi was the chairman of the EU Commission until 2004, at a time when liberalisation of the welfare state was being pushed through in all European countries and he is one of the architects of the infamous EU Bolkestein directive.

As we stated, the Centre-Left had won many electoral battles in the recent period. The main reason for these successes were to be found in Berlusconi's anti-working class policies which provoked a deep hatred towards him and his government among wide layers of the masses.

However the situation changed when Berlusconi started putting forward an aggressive tactic, trying to rally his electoral base and large sections of the middle class around him. He launched a class-based ideological battle, while the centre-left simply harped on about "national harmony". Berlusconi made no qualms about who his enemy was. His battle was against "Communism", against those who want to "fleece" the Italian people by making them pay an enormous amount of taxes. While the leaders of the centre-left were talking about "sacrifices", Berlusconi promised tax cuts. At one point he issued a very clear class appeal aimed at the worst prejudices of the middle classes: "I don't wish that the sons of the middle class have the same opportunities as the sons of the working class." In a situation where

everyone is feeling the effects of the economic crisis he basically told the middle classes: if you vote for me I'll make sure you don't pay; we'll get the working class to pay!

Instead of understanding this basic class question, many left-wing intellectuals wrote reams and reams about the power of Berlusconi's televisions, a power "which no one can defeat". That Berlusconi is extremely powerful is obviously a fact, but it is not true that he is invincible. He has been beaten before by the mass movement. And in spite of all his media he did lose these elections. But his strength lies in the weaknesses of the centre-left, not in any media empire.

The way Berlusconi made a comeback in these elections shows that in modern times you do not win elections with a "moderate" programme. What you need is a militant class-based position. You have to defend class interests. Berlusconi did that; the centre-left didn't.

Class nature of the "Unione"

The problem was that because of the heterogeneous class nature of the "Unione" a class appeal was impossible. That is why Berlusconi was able to partially recover his flagging support. What is clear from a closer analysis of the voting patterns in the different regions of Italy is the following. In the traditional strongholds of the right wing, a percentage of 3 to 4% of those people who normally abstain turned out to vote. This means they were motivated. They felt they had something at stake. Unfortunately, this did not materialise in the traditional strongholds of the left. The "Unione" failed to get its passive supporters to turn out. This indicates that they had no confidence that a Centre-Left government would do anything concrete for them.

The results of the various parties that made up the "Unione" indicate that those parties with a more radical left image did better. Rifondazione Comunista (PRC) got 7.5% for the Senate and 5.8% in the "Camera", with a 350,000-vote increase compared to the 2004 European election results. The total sum of the votes of the PRC, the PDCI (the Party of the Italian Communists) and the Greens was more than the votes received by the "Margherita" (the main bourgeois party in the "Unione").

The PRC will now have the largest parliamentary group it has had since it was founded in 1991, with 68 MPs. This will put enormous pressures on the leadership, in a hung parliament where every vote will count. Bertinotti, the leader of the PRC, is now tying his cart more and more tightly to the Centre-Left. Throughout the whole election campaign, the PRC hardly differentiated itself from the rest of the coalition. The main slogan of the party was: we want the programme of the "Unione" to be carried out.

Huge pressure will be brought to bear on the new government to act in accordance with the needs of the ruling class, i.e. to attack the living standards of the working class. The bosses have faced a dilemma for some time in Italy: there is no party which they feel is fully theirs. Berlusconi only represents the interests of one layer of the bourgeoisie. The bosses have been desperately seeking to build a party that can firmly implement their strategy and programme.

The bourgeois press has been campaigning for the creation of a US-style Democratic Party for some time. They would like the Democratic Left (formerly the PDS, the main party that issued from the split in the old Communist Party back in 1991) to fuse with the Margherita, thus transforming the main party of the Italian working class into a bourgeois party. This is an ongoing process, the outcome of which is not at all guaranteed. However, the "good result" of the joint list in these elections, at least in the Lower Chamber, means that there will be increased pressure on the leaders of the DS to go down this road.

The bourgeoisie desperately needs reliable parties of its own because the Prodi government will prove to be a government of crisis. The German-style Grand Coalition is not an option in Italy. Although Berlusconi has raised it, in reality neither he nor Prodi really believe that it is feasible. It would provoke other contradictions, it would require new leaders and so on.

In the short term the election of this new government will create a mood of wait-and-see within the labour movement. Although this Centre-Left is not as credible as it was in the past, many workers will want to give it a chance, to see what it will do. They do not want Berlusconi back and therefore we can expect a temporary calm as work-

ers would want to avoid provoking an immediate crisis of the Prodi government. However, this situation cannot last for long as the government will have no real room for manoeuvre. Given the severe crisis of Italian capitalism, new attacks and cuts are inevitable.

Berlusconi also is not going to go home. His aggressive stance proved to be successful. His allies would be condemned to political impotence without him. He plays a key role in holding together the Centre-Right alliance. He will now radicalise more and more his speeches. He will use all sorts of racist and reactionary propaganda, believing this will be enough to strengthen his position. But all he will achieve is radicalising the whole situation even further. Therefore this method has its limits and it could provoke an opposite reaction to what he expects. It could prove to be the whip of the counterrevolution that unleashes a revolutionary movement. Radicalisation to the right will provoke an opposite radicalisation to the left.

The Marxist Tendency

In the next period, all the political organisations will be put to the test in Italy, and this is particularly true for the workers' parties. After an initial pause, things will move on again. At a certain stage it will become very clear to the workers and youth what Prodi's real agenda is. Once this happens contradictions will open up within the left parties and within the trade unions. Pressure will mount for the leaders of the Left to resist any further attacks on workers' living standards. The activists will question the government's policies and will look for an alternative.

The Marxist tendency gathered around FalceMartello is patiently explaining this to the ranks of the PRC, to the youth and the workers in general. As Prodi reveals his true colours more and more workers will begin asking questions of their leaders. The leaders of the PRC have committed themselves to supporting Prodi. This means they will be under pressure to support anti-working class policies. On this basis the revolutionary alternative presented by the Marxists will appear as the only viable option and the ideas of Marxism will gain the ear of the ranks of the party. □

Insurrection in Kashmir

by PTUDC

AS THE snow begins to melt in the Himalayas, a wave of mass protests is sweeping Muzafferabad, the devastated capital of Pakistan-held Kashmir, against the failure of the Musharraf regime and Earthquake Rehabilitation Agency (ERA). At least 40,000 people protested on April 13 in the various towns and cities in the area of the capital. These protests were organised by the United People's Front (UPF) and initiated by the Marxists of Kashmir.

As we reported previously the situation in the devastated areas of Kashmir is worsening with each passing day due to the behaviour of the state authorities, who have humiliated the people, and the lack of funds provided by the regime for the reconstruction of homes. A storm of anger and resentment was gathering among the masses which eventually erupted on April 13.

A widespread feeling of anger and discontent has existed since the calamity on October 8. This seething anger occasionally burst into the open over the last period, but it was on March 31 that this new wave of class struggle began with the first protest which was held in Garhi Dopatta, Muzafferabad, where more than 1500 people participated. The people were angered by the ERA. In the second phase of the distribution of reconstruction funds an average of Rs 25,000 (\$416) was given to each family for the reconstruction of their homes. This was an insult to the victims of the earthquake because the average cost of constructing a home to accommodate as many as two or three families (because the joint-family system still dominates in this remote area) is approximately \$8000.

This second wave of distribution simply added salt to the wound. It has been reported that approximately 40 percent of victims had not yet received anything in the first wave of distribution.

It seems that even in the second wave of distribution, this same 40 percent of the people would not be included in the assessment and would not receive payment.

The anger of the masses had reached its limits. After the protest of March 31, which was organised by the Jammu Kashmir Revolutionary Youth Alliance (JKRYA), a united front of youth organisations formed by the Marxists of Kashmir, a mass meeting was held on April 1 in which the Marxists of Kashmir united the representatives of all the devastated villages and towns to form a new front – the United People's Front. This new front was formed with the overwhelming participation of the masses. A key role was played by Comrade Shujat Kazmi, the former president of the Jammu Kashmir National Students' Federation (JKNSF), who was unanimously elected the coordinator of the newly formed front.

On April 3, in response to the call of the UPF, a complete "shutter down" (the closing of all shops and workplaces) and strike was organised in Garhi Dopatta in which more than 2,000 people participated. On April 7, a protest was held when the Chief Secretary of Kashmir, Kashif Murtaza, and the Chairman of ERA, General Saleem Altaf, visited the area. Three hundred people took part in this demonstration and chanted slogans against the ERA and the Musharraf regime and called for a district level

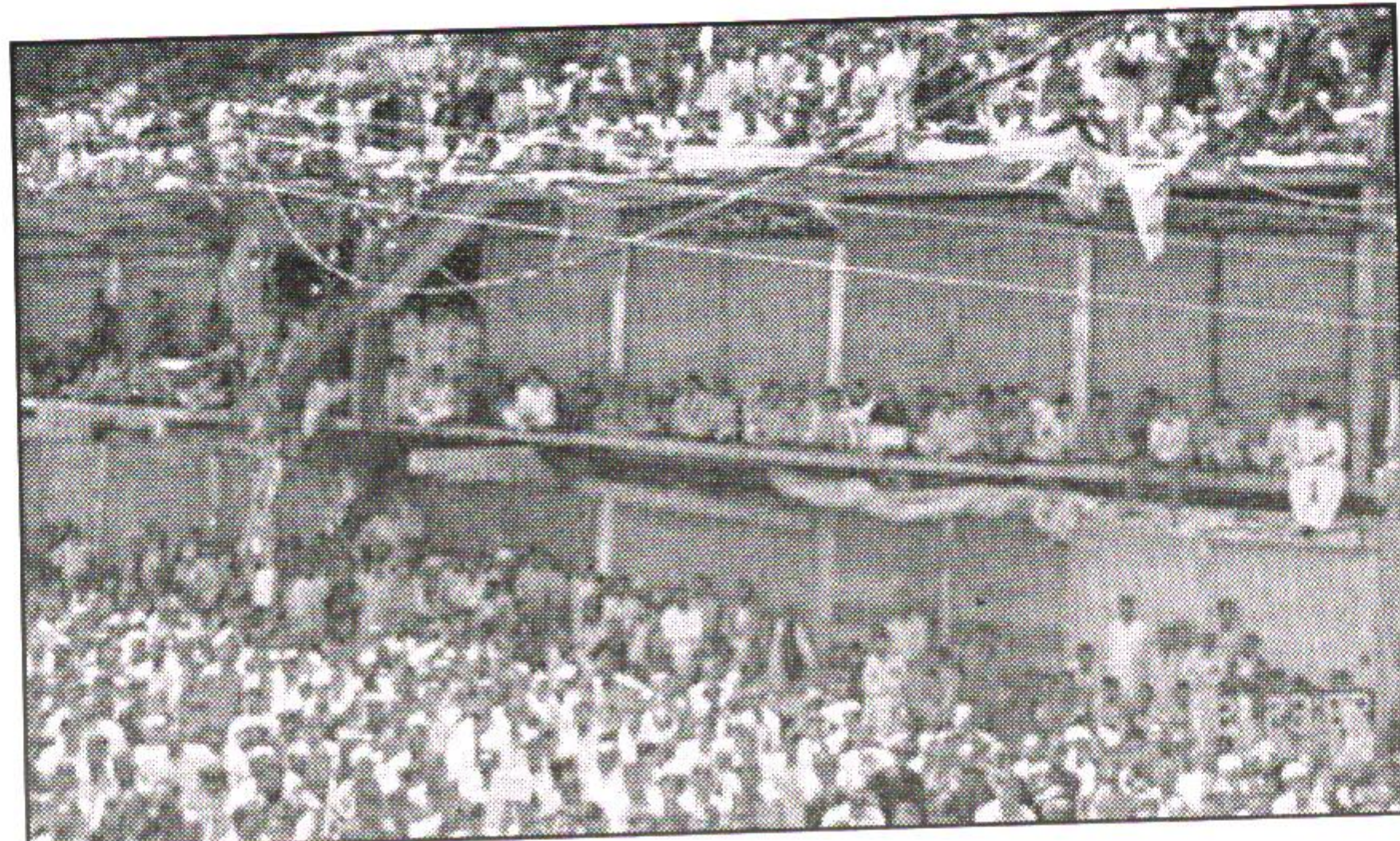
protest on April 13.

After the formation of the UPF the newly elected coordinator, comrade Shujat Kazmi, and the district coordinating body visited all the main towns and villages around the devastated capital in order to expand and strengthen the front. They published and distributed four leaflets in one week. On April 13 an unbelievable mass demonstration took place – unbelievable because not one of the traditional parties or mass organisations were involved. In fact, not even a single leader of these mass political parties was involved. It was only the young Marxists of Kashmir, with their very small forces but tireless efforts, that made this protest successful. More than 10 small villages and 12 big towns in the area of the capital participated in the general strike of the district.

Even the conservative bourgeois media, despite their previous criminal blackout of news from the area, was forced to report that more than 40,000 people had protested against the policies of the ERA and demanded that it be dissolved and that the reconstruction work be handed over to the people's committees at the town and village level.

The main towns where the strike was observed were Neelum Valley Pateekha, with 4000 participating, Garhi with 1000, in Devlian, 600, Hatiyan Bala, 3000, in Chanari, 3500, in Chagothi, 1000, in Muzferabad city, 1000, in Chakar, 2500, in Rashian, Qulikot and Panjkot, 1500 and Garhi Dopatta where more than 12,000 people participated in strike action and demonstrations. Major strike action took place in these towns along with several other small villages where hundreds of people also participated.

The biggest demonstration, which was held in Garhi



Dopatta, was led by the coordinator of the UPF, comrade Shujat Kazmi, and the convenor of the JKRYA, comrade Adil Khan. In Garhi Dopatta a complete "shutter down" of the city and a general strike was observed for more than four hours. Life in the Jehlum Valley was at a standstill until the end of strike.

The workers, youth, and common people were filled with such revolutionary fervour that they took the control of the whole valley into their own hands and did not allow anything to move without their permission. Even a Pakistani Army convoy was stopped for four hours and was not permitted to move. The participants of the strike were chanting slogans such as, "Every one demands food, clothing and shelter!", "No religious wars, no national wars - class war, class war!", "One wish, one solution - class war, class war!", "Down with capitalism, down with the ruling class!".

There was a similar situation in Hatianbala, Chinari, Chakar and Pateeka. These cities were completely shut down and the roads blocked. Everywhere in Muzafferabad the masses poured into the streets and paralysed the capital city. But the situation in Garhi Dopatta went beyond the limits of a normal strike. In fact it was a near insurrectionary situation. Some of those who participated in the strike later commented that if the Jehlum Valley were a separate state, then on April 13 there would have been a revolution. Comrade Shujat, comrade Adil and the other speakers, while addressing the mass rally in Garhi Dopatta called for an end to the ERA and demanded an end to the payment of utility bills in the devastated areas. They also called for free education and health care and for the cancellation of all the debts of the workers in the public sector. The speakers also called a national general strike for April 22. This general strike will be in support of a charter of 30 demands related to the reconstruction efforts.

On April 14 comrades Shujat Kazmi and Adil held a press conference and announced that May 1 was the deadline for the acceptance of all their demands and also made an appeal to the workers and youth of the world to stand with them in solidarity in this struggle.

On April 17 another rally was held in Muzafferabad in which more than 500 people, mainly students and youth,

participated. This rally began to march toward the Assembly Hall where a clash with the armed forces of the state took place and the participants of rally were brutally baton charged. 11 people, including the leadership of the JKRYA, were arrested, including Rashid Shah, the coordinator of the UPF in the Jehlum Valley.

The state's attack has completely exposed on the one hand its fear of the mass movement and on the other hand its intention to crush it using the brutal methods of state repression. The Pakistani state has proven itself incapable of solving the problems the masses face in the devastated areas. This failure of the state compelled the masses to take the road of struggle using the methods of mass action and the state is now preparing to crush the movement with its own traditional methods of state repression, arrests and torture.

The arrest of the leadership of the JKRYA is a clear example of this. Comrade Shujat Kazmi was also present on the rally but managed to escape the clutches of the state. The Marxists of Kashmir are not only the organisers and leaders of this movement. The revolutionary work of the Kashmiri Marxists, along with correct perspectives combined with correct tactics and methods has proved to the masses of Kashmir that only a leadership based on the scientific ideas of Marxism can offer a way out of the hell that is capitalism.

Unfortunately, we have only been able to report in detail on the situation in Muzafferabad. But in the two districts of Bagh and Rawlakot the discontent of the masses is simmering and about to explode. The situation is in fact already beginning to erupt in Bagh where a wave of protest is spreading rapidly. In Rawlakot, a protest movement is also beginning.

On April 13 more than 600 people protested in solidarity with the people of Muzafferabad. It has now been decided to organise a general strike not only in the devastated areas but also in the other districts of Kashmir. The general strike on April 22 will mark a decisive stage of this struggle. But the masses of Kashmir need the solidarity and support of the proletariat of the world. We appeal to the youth and student organisations and trade unions of the world to send urgent messages of solidarity and support. □

Stop Press

WE HAVE received the good news that the authorities in Muzafferabad have released the comrades. Upon hearing of the arrests there was an immediate response of the masses, particularly the youth, in Muzafferabad and the Jehlum Valley who held demonstrations and erected roadblocks. Some 2,000 people protested against the arrests. There was also an immediate and good response from our international comrades, supporters, and sympathisers. We would like to express our greatest thanks to all those who sent messages at such short notice.

We now ask that all comrades send messages of protest to the authorities in Pakistan and Kashmir demanding the fulfillment of the demands of the earthquake victims.

Again, messages can be sent to the addresses provided below.

You can send a protest message to the President of Pakistan by going to this site:

<http://www.presidentofpakistan.gov.pk/Write2thePresident.aspx>

You can also find your local Pakistani embassy, if you wish to write to them, at:

<http://www.embassyworld.com/embassy/pakistan.htm>

And of course solidarity messages can be sent to:

info@ptudc.org

Visit the Pakistan Marxists website



www.struggle.com.pk

The Legacy of Venezuela's 13 April

by Patrick Larsen

"Karl Marx said that the revolution needs the whip of the counter-revolution. The whip is painful but it also teaches if this pain is transformed into a force" - Hugo Chavez

Revolutionary Venezuela has been celebrating the 4th anniversary of the events surrounding the failed coup d'état that was launched on April 11, 2002. This is an event that ought to be studied more in detail by all those who wish to understand, not only the situation in Venezuela, but the inner workings and dynamics of revolution and counter-revolution in general. For while on the one hand it shows how Imperialism and the national oligarchy are indifferent to democracy and will never tolerate the existence of a government that threatens its interests, on the other hand it gives us a graphic illustration of the firm revolutionary instinct that the oppressed masses possess and which led them to react spontaneously to bring down the coup.

The 2002 coup against Chavez did not happen by accident. On the contrary it was a very well planned conspiracy that had been organized for a long time. The tensions between Chavez and the national ruling class, backed by Imperialism, had come to a turning point. From the point of view of US Imperialism, the passing of the 49 enabling laws of December 2001, meant that the Bolivarian government was serious about its intended reforms, could not be used or bought off and therefore had developed from a relative obstacle to an absolute obstacle; it had to be removed by force.

Later research has proved that the CIA was deeply involved in the planning of the coup. Eva Golinger, the author of the well-known book *The Chavez Code*, has studied the subject in detail. In her writings she has proved that the American administration, through bodies such as the National Endowment for Democracy (NED) and the United States Agency for International Development (USAID) gave millions of dollars to opposition groups that participated directly in the coup.

Though the US government was well informed of what was going on, they needed to fabricate an incident that could "justify" the removal of Chavez. When the private media manipulated video clips and alleged that government forces fired on the opposition march, this was the perfect excuse. Washington thundered against these so-called "violations" of human rights: U.S. Department of State spokesperson Philip T. Reeker, claimed on April 12:

"In recent days, we expressed our hopes that all parties in Venezuela, but especially the Chavez administration, would act with restraint and show full respect for the peaceful expression of political opinion. We are saddened at the loss of life. We wish to express our solidarity with the Venezuelan people and look forward to working with all democratic forces in Venezuela to ensure the full exercise of democratic rights. The Venezuelan military commendably refused to fire on peaceful demonstrators, and the media valiantly kept the Venezuelan public informed.

"Yesterday's events in Venezuela resulted in a transitional government until new elections can be held. Though details are still unclear, undemocratic actions committed or encouraged by the Chavez administration provoked yesterday's crisis in Venezuela. According to the best information available, at this time: Yesterday, hundreds of thousands of Venezuelans gathered peacefully to seek redress of their grievances. The Chavez Government attempted to suppress peaceful demonstrations. Chavez supporters, on orders, fired on unarmed, peaceful protestors, resulting in more than 100 wounded or killed. Venezuelan military and police refused orders to fire on peaceful demonstrators and refused to support the government's role in such human rights violations. The government prevented five independent television stations from reporting on events. The results of these provocations are: Chavez resigned the presidency. Before resigning, he dismissed the Vice President and the Cabinet. A transition civilian government has promised early elections.



"We have every expectation that this situation will be resolved peacefully and democratically by the Venezuelan people in accord with the principles of the Inter-American Democratic Charter. The essential elements of democracy, which have been weakened in recent months, must be restored fully. We will be consulting with our hemispheric partners, within the framework of the Inter-American Democratic Charter, to assist Venezuela."

The hypocrisy of the Imperialists knows no limits. They knew all along that a coup was being prepared, and that plans involved the imprisoning of Hugo Chavez. In spite of this they went to the public with lies about the apparent "resignation" of Chavez and the new government that would lead a "democratic" transition. No mention of the word "coup".

But this new government, what was it? The regime led by Pedro Carmona, then leader of the employers' confederation FEDECAMARAS, was a thoroughly reactionary one. Although it only lasted for one day, it began its dirty work immediately. A decree dissolved all of Venezuela's democratic institutions, including the Supreme Court, the National Assembly (Congress), the Constitution, the 49 enabling laws, and it deposed the elected President, Vice President, Ombudsman, Attorney General, Public Defender, and all elected members congress of their positions. Significantly it went to the length of altering the name of the country, from "The Bolivarian Republic of Venezuela" to "The Republic of Venezuela".

What they feared was not so much Bolivar himself, but the movement that goes under the name of the Bolivarian Movement. Initiated by Hugo Chavez it started to promote some progressive and nationalist reforms – it tried to implement social changes, a literacy campaign, land reform and so on. In other words, it tried to solve the key

problems of the bourgeois revolution, or what Lenin called the national-democratic revolution. But even these limited reforms condemned the movement to face the wrath of Imperialism and the national Oligarchy. They simply could not accept such steps, as they feared any development that could provoke a revolutionary ferment and give the masses confidence in their own ability to push the movement forward. The parasitical and thoroughly reactionary character of the local ruling class is shown in the fact that even the most moderate reforms threaten their very existence if they are implemented in a consistent manner. That was why they had to kick Chavez out of office.

It is important to stress that their plan did not consist only of a military rising to put down the government. In fact one could argue that the coup was just the final part of an extensive campaign to destabilize Venezuelan society and weaken and isolate the Bolivarian regime. The constant slanders against Hugo Chavez in the privately owned media and the international press, the sudden outbursts of violence and manoeuvres of paramilitaries on Venezuelan soil, the diplomatic intrigues by US officials against Venezuela, the economic sabotage promoted by the corrupt leaders of the old CTV trade union confederation; all these things were preparatory measures that aimed at creating a favourable political climate for the overthrow of the Bolivarian government. The script used was the same that was used to prepare the overthrow of Allende in Chile in 1973, the script writers also being the same.

But this was not just the case before the coup, it was the same idea that was behind the bosses' lockout in December 2002 and it continues to be the real intention to this day with all the actions of US provocations against Venezuela.

Nonetheless, Imperialism had miscalculated the situation completely. The fury of the masses exploded like an uncontrollable fire. Without any leadership, without any plan or any call, the masses began to mobilise, marching towards the Miraflores palace in Caracas. In numerous provinces workers, youth and urban poor filled the main squares and gathered around the main military garrisons.

It is difficult to depict the intense feeling of hatred and betrayal that

many ordinary Venezuelans must have felt in those moments. The first government that the oppressed masses felt as their own, the first one that at least had begun to tackle some of their problems, had been swiftly swept aside by imperialism and the oligarchy. Had everything been in vain?

The crowd assembled in front of the palace grew larger and larger. In the working class and poor neighbourhoods of the capital the Metropolitan Police was faced by the masses setting up barricades and blockading the entrances to the neighbourhoods. The situation was out of control and the coup organisers began to get nervous. One of the best portraits of this particular situation is probably the extraordinary documentary *The Revolution Will Not Be Televised* which was made by an Irish film crew that happened to be in the very eye of the storm when the events occurred. In the end the loyal sections in the military managed to regain control over the armed forces. The coup collapsed like a house of cards. In less than 48 hours Chavez was reinstated and the masses were able to celebrate an overwhelming victory.

Victory of Masses

It is difficult to find a fitting analogy in world history - a coup that successfully led to the taking of power for a day or so, but was kicked out by the overwhelming movement from below. One of the only events in the history of revolutions that bears any resemblance to April 13 is perhaps Spain July 19, 1936. This too was a massive spontaneous rising, in which the mass of workers in Spain, and most significantly in Catalonia, rose up to fight the Fascist coup. In most cases without guns, the workers marched to take over the strategic buildings, the barracks and so on and keep the main points of power out of the hands of the Fascists. Armed with kitchen knives they fought their way through and formed militias and workers' patrols, disarming the corrupt officers and in effect making themselves the rulers of Spain. The tragic defeat of the Spanish Revolution was only a product of the treacherous policies of the leaders of the main labour organizations who in effect handed power back to the bourgeoisie and assisted it in destroying the gains of July 19.

Though obviously there are important differences between the Spanish and Venezuelan revolutions, one cannot avoid seeing the similarities as well, which a brief look at the astonishing defeat in Spain demonstrates. Though the massive rising on July 19 was a harsh blow against the counter-revolution, it was not - as some mistakenly thought - the final defeat of reaction. Although April 13 in Venezuela, as the Spanish July 19, signified that the forces of capitalism suffered a major setback, it did not destroy the basis of its regime. In Spain the ruling class used the period between September 1936 and May 1937 to regain its positions and little by little break the elements of workers' power, starting the process inside the armed forces.

In fact, the Spanish Revolution provides us with a stark warning. It shows that the bourgeoisie will always try to get back in the saddle. It shows that if you do not seize the opportunity when the revolution is on the offensive and the situation is favourable, you will automatically give a breathing space and a new chance for the enemy to strike back and strangle the revolution.

This is the main lesson that needs to be drawn from April 13. Social revolution does not follow a predetermined pattern. The dynamic of events sometimes has a logic of its own. The inspiring movement of the Venezuelan masses fills one with a sense of pride and confidence in the ability of ordinary working people to change society. April 13 is the best answer to all those cynics who say that the masses are incapable of transforming society.

Four years after the inspiring events of April 2002, the situation remains extremely favourable for the revolution. The opposition and the capitalist elements have been weakened, demoralized and find themselves increasingly isolated politically. But there is no time to waste. As the tragic example of Spain shows us, you cannot expect a revolutionary situation to continue indefinitely. At a certain stage, the question of power must be decisively determined. Either there will be a complete victory for the exploited masses by wresting economic power out of the hands of the exploiters or there will be the victory of the capitalist counter-revolution. This is the burning question that will be decided in Venezuela in the near future. □

fighting fund

A Good Month - Let's Keep it Going!

One of the penalties of print deadlines is that I have to write this column in the middle of the month rather than at the end. This means I have to guess how the Fighting Fund is going for the month in hand based just on the first few weeks alone. If things have been slow then this can be difficult. But not this month.

A meeting in London of sellers and readers of Socialist Appeal just before Easter resulted in a splendid collection of nearly two and a half thousand pounds with a further grand being pledged in IOUs. Far too many names to give individual credits this month but a special thank you should go to Jim Brookshaw who could not attend but sent an internet donation in for £500 to kick-start the collection.

This cash is most welcome. On the back of this collection we have already invested in a new laserprinter, which should improve the quality of our journal from a technical point of view - as well as lessening our reliance on the old laserprinter which was more than a little temperamental!

Well done to all those who contributed. But we cannot be complacent. The pressure must be kept up. Everybody who gave an IOU should ensure that it is redeemed as soon as possible. We would also ask all those readers and sellers who did not take part in this collection to now consider adding to it. Let's see if we can get another grand in before Mid-May.

Remember these donations represent an important part of our finances. There are no rich wannabe Lords and Ladies sitting around waiting to chip in an odd

million or so to help keep things going. And to be honest that is the way we like it. We would rather rely on the honest support of ordinary people, workers and youth. These are the people whose aims and struggles we wish to represent and reflect in our pages.

Marxism faces a constant battle to win over people to our ideas. This is not made any easier by the fact that we do not have a level playing field to compete on. The forces of capital can count on the full resources of the state, the national media and press, and so on to spread their ideas. Against this we have little save a confidence in the future of socialism and the power of the working class to change society. Resources are therefore precious and important - and you can play your part in contributing to their development.

Donations can be made in a number of ways:

- By cheque to us at PO Box 2626, London E14 6WG (made payable to Socialist Appeal SC).

- Cheques and cash can also be paid in over the counter at any branch of Abbey National quoting account number K2018479SOC.

- TransCash payments can also be made at any Post Office into Alliance and Leicester account number 562 528 601, sort code 72 00 00, reference BBC.

Every penny counts. So let's build on this good month and keep things going.

Steve Jones


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May Day Rally **Public Meeting**

"The Venezuela Revolution: The Struggle for Workers' Control and Workers' Rights"

The HOV May Day, Monday 1st May, meeting will be held
at

'The Gallery' in Saint Martin in the Fields Church in
Trafalgar Square
from 4.30pm onwards.

The speaker is Jorge Martin
(International secretary of HOV)

noticeboard

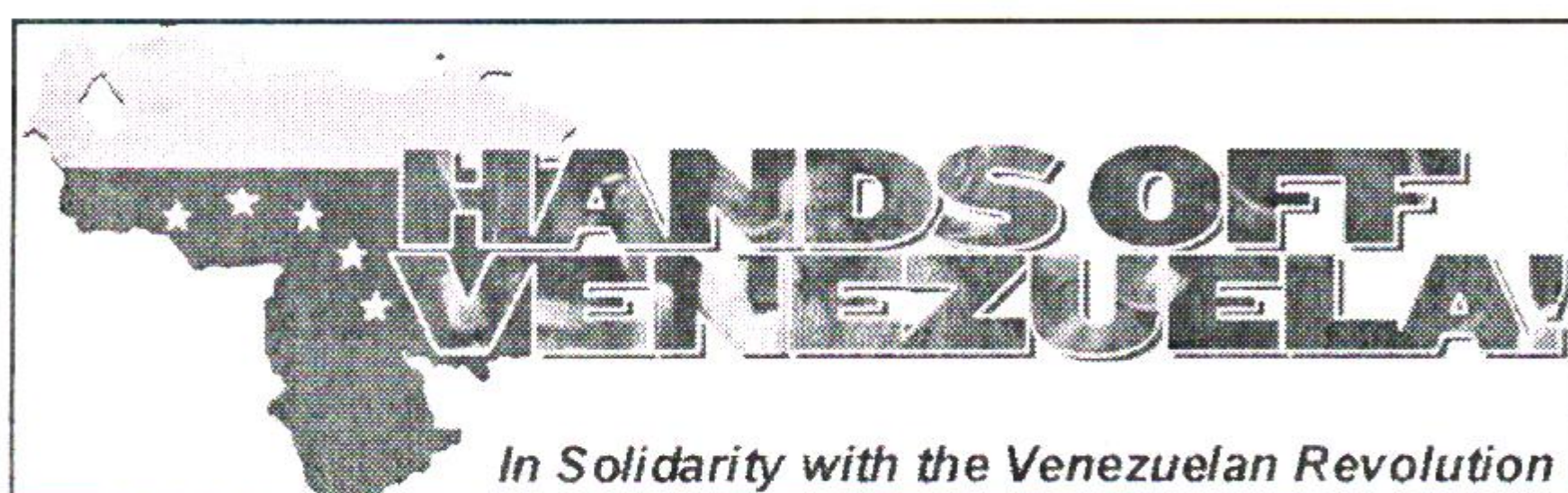
May 2006

"Hands Off Venezuela! Many thanks to all you fighters of the world who are backing this campaign for the freedom not only of Venezuela but the whole of the world."

President Hugo Chavez

Join Hands Off Venezuela!

Send us your details with a cheque payable to "Hands off Venezuela" for £7.50 or £5 unwaged (suggested fee) to HOV, 100 Armadale Close, London, N17 9PL



www.handsoffvenezuela.org / britain@handsoffvenezuela.org

Socialist Appeal Stands for:

✚ **No to Blairism! 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

Hands Off Venezuela! Full Support to the Venezuelan Revolution!

It is now the 7th anniversary of the Bolivarian Revolution in Venezuela. Over that time, President Hugo Chavez has introduced policies that have seen illiteracy abolished, free health care introduced, land distributed, and factories placed under workers' control. This has resulted in widespread support for the Revolution as well as renewed threats from the imperialists, especially the United States.

Pat Robertson, the millionaire Republican evangelist, has called publicly for Chavez's assassination. The Bush Administration has supported and instigated every intrigue against the Revolution. Eva Golinger, the author of *The Chavez Code*, has proved that Bush, through bodies such as the National Endowment for Democracy (NED) and the United States Agency for International Development (USAID) gave millions of dollars to opposition groups that participated directly in the 2002 coup against Chavez. But Washington did not only finance the coup; they actually had detailed knowledge of the plot. The Administration was forced recently to release documents that showed that the CIA's deep involvement in its execution. We must expose these intrigues and give unconditional support to the Venezuelan Revolution.

No to imperialist intervention! Hands off Venezuela!
Join the Hands Off Venezuela Campaign. www.handsoffvenezuela.org



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