

Unison □ Economy □ USA □ Peugeot □ Middle East

SocialistAppeal

July/August 2006 issue 144

Price: £1 - Solidarity Price £2

Left Must Challenge Blair and Brown



Socialist Policies Needed!

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contents

this month

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Editorial
 Labour: New Leader,
 New Direction – Socialist Candidate Needed..... 3
 News.....4-5
 Unison Conference:
 Bournemouth 2006 – The Phoney War.....6-7
 Trade Union Lobby Against Privatisation.....7
 Edinburgh School Students Union.....8
 Hertfordshire Firefighters Strike.....8
 No To State Funding -
 Unions Must Reclaim Labour.....9
 Scottish Socialists On Verge Of a Split.....10
 Campaign for Socialism Conference Report.....11
 Hands Off Venezuela Reports..... 12-15
 Globalisation and Imperialism.....16-17
 Economy:
 Marx And The Profit Cycle.....18-19
 USA: Bush and Co.
 Tighten Screws for Counter-Revolution.....20-21
 Latin America:
 What do the elections in Colombia and Peru mean?.....22-23
 Middle East:
 Israel-Palestine on the brink of war.....24-25
 Iran: Tehran police break up
 5000-strong demonstration
 against women's oppression..... 26
 Ireland:
 Republican Socialists Stress Role Of Working Class.....27
 Film Review:
 The Wind That Shakes The Barley.....28
 Wellred Books.....29
 Fighting Fund.....30
 Notice Board.....31
 Durham Miners' Gala.....32



Hands Off Venezuela Reports

NUJ General Secretary Jeremy Dear
 Reports From The TUC's Delegation To
 Venezuela pages 14 and 15

Reports of Meetings around the coun-
 try and at trade union conferences
 pages 6, 12, 13

Trade Union News

- Peugeot - The Fight
 Continues (page 4)
- Support Asda/Wal-mart
 Strikers (page 5)
- CWU Prepares To Strike
 (page 5)
- Unison Conference:
 (pages 6-7)
- Anti-Privatisation Lobby
 (page 7)
- Hertfordshire
 Firefighters Strike
 (page 8)
- Unions Must Reclaim
 Labour (page 9)
- Durham Miners' Gala
 (page 32)



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The Deadline for Issue 145 is August 18

Labour: New Leader, New Direction – Socialist Candidate Needed

If any more nails are inserted into Tony Blair's coffin there will not be any room left for the corpse, and room must be left not only for the prime minister but also for the entire body of Blairism and the New Labour project to transform Labour into another bosses' party.

Sacked Home Secretary Charles Clarke has attempted to emulate Geoffrey Howe's role in speeding up the prime minister's departure with a scathing attack on his lack of direction and purpose. It seems the Blairites want to copy their Tory masters in the 'men in dark suits' department, too.

According to the latest polls, Labour now trails the Tories even on health and education. Blair has managed to turn the NHS into a vote loser for Labour! This is a remarkable achievement indeed. In the Blaenau Gwent by-election (caused by the death of Peter Law, a former Labour member who had stood against Blairism) Blair's candidate signally failed to win back the seat, while in Bromley they staggered in fourth behind the UK Independence Party.

The much vaunted 'smooth transition' from Blair to Brown would not imply any policy change whatsoever. The privatisation of public services, the promotion of 'flexible' labour and rejection of trade union rights, and the massive extension of means testing are all policies that have been promoted by Brown. Consequently, Blair's replacement by Brown would propel Labour further along the course to losing the next election.

For fear that Blair leaving next summer will leave too long for Brown to be exposed as no more than Blair Mark Two, there has been talk from the Brown camp of calling a snap election, to ride a 'wave of popularity' (i.e. a wave of not being Blair). Rupert Murdoch has intervened to warn that his media empire may well back Cameron's Tories in the event. Murdoch and co. do not decide who wins elections despite their own inflated views. However, their change of policy reflects something more profound.

As we have pointed out previously the capitalist class are more than happy with the way Blair and Brown

have represented their interests. However, having squeezed the life out of Labour they are now ready to discard the empty husk. They have no problem with Brown - the myth that he was somehow to the left of Blair has all but evaporated. They do, however, have a problem with the mounting opposition on the backbenches, and, even worse, over their shoulders the growing opposition of the trade unions and the working class to their policies. A Brown Labour government could not be relied upon as a solid enough base to push through the attacks on the welfare state, and on jobs, pensions, wages and conditions that enfeebled British capitalism requires to maintain its profits. As a result Murdoch and co will soon reflect the wishes of the ruling class and revert once more to supporting the bosses' first eleven, the Tory Party.

Left must stand

Labour's slide in the polls is not the inevitable consequence of the 'electoral cycle' as the Blairites like to claim. Instead it represents a profound disappointment and disillusionment with Labour in office on everything from the war in Iraq, to attacks on pensions, and privatisation in health and education. Therefore, it stands to reason that for Labour to recover in the polls it must abandon these capitalist policies and begin to act in the interests of the working class. It is self-evident that Brown intends to do no such thing. The left must stand against him. A candidate should oppose Brown on the basis of a socialist programme. A socialist candidate who opposes the war in Iraq, who opposes privatisation and calls for the railways, water and all utilities to be brought back into public ownership, would find a ready echo amongst the rank and file of the party and the unions.

The idea of a handover - with no election - that Blair and Brown had imagined is clearly now dead in the water. There is a rising tide of opposition to Brown's succession.

What an ideal opportunity to raise socialist policies throughout the labour movement! The left now needs a cred-

ible candidate. Not someone who is credible in the eyes of the media, however, or the city of London, but credible in the eyes of the labour movement and in relation to the needs of the working class. What is decisive then is policy. The forthcoming National Conference of the Labour Representation Committee would be an ideal springboard for a campaign in the unions and amongst Labour's rank and file for a candidate committed to socialist policies. Such a campaign would breathe new life into the comatose body that the Labour Party has become under the Blairites.

Michael Meacher has apparently declared that he would like to stand. As a former minister in Blair's government he is somewhat tarnished. Although Meacher would be seen as a relatively 'left' opposition to Brown, the most important question is what programme would he stand on? Although he has voted against compulsory Identity Cards and some of Blair's attacks on civil liberties, Meacher voted for the invasion of Iraq and has voted in favour (and abstained) on foundation hospitals.

What is required is a socialist candidate. The chair of the Socialist Campaign Group of MPs, John McDonnell, would represent a far bolder opposition to Blairism. He is also the chair of the LRC, and the Public Services Not Private Profit trade union grouping that organised the recent successful lobby of parliament. In addition, he has been at the forefront of building Hands Off Venezuela. There is a groundswell of support building for such a candidate now in the unions and in the party.

The end of Blairism is drawing ever nearer. Whatever the immediate outcome of a leadership election - Brown would still be favourite to win - a new period of life and debate can be opened up throughout the labour movement.

The pendulum of history, which had moved a long way to the right under Blair, Brown and co, is beginning once more to move in the opposite direction. Marxism must play its full part in the coming struggle for socialist policies throughout the labour movement.

Peugeot Coventry - The Fight Continues

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

ON THURSDAY June 16th, 60 Peugeot workers from the threatened Ryton plant in Coventry showed their determination to fight the proposed plant closure by demonstrating outside a Peugeot dealership on the A45 Kenpas Highway.

This action is part of an ongoing campaign to get the public to boycott Peugeot cars. In 2005 Peugeot sold 280,000 vehicles in the UK with more than 10% of the market share and the unions at the plant believe that if there is a fall in this market share as the result of a boycott, this would more than negate the savings made if the plant is closed and a new one opened in Trnava, Slovakia.

Even before the closure was announced, it was obvious that secret discussions had been going on for some time between Peugeot and the Slovakian government which has offered £73million towards the construction costs of the new plant. Peugeot plans to invest 350million Euros there and produce 450,000 vehicles by 2010, with a new, undisclosed product coming on the market in 2009/10. Despite having made more than 1billion Euros profit in 2005, the company believes that even more profit will be made by switching production to Slovakia where wages costs are 20-25% the level of Ryton.

According to the Amicus Convenor, Tony Johnson, "there is a need to challenge the company's figures, especially where they claim that vehicles will be 415 Euros cheaper per unit to produce in Slovakia than Ryton". He condemned the company's refusal to disclose the information needed on the basis of "commercial sensitivity" and stated that the "alternative trade union business case was preliminary as it is based on partial information". Tony also believes that "the lack of consultation over the proposed closure amounts to breaking UK laws, but if the case were to go to court, there would only be a punitive fine of only £75,000, which would be nothing for Peugeot".

The campaign by the unions will now intensify in the five-week run up to the August shutdown. According to Tony, "the International Motor Show in

London on July 18th will now be targeted as the boycott campaign spreads". In addition he said that the "issue was raised at the recent Amicus conference in Scarborough and all 114 delegates there would be taking the message back to their workplaces to spread the boycott of Peugeot vehicles".

There can be no doubt that many sections of the Peugeot workforce are determined to keep the plant open despite facing many obstacles. The fight is being hampered on two fronts. Firstly, workers at the plant have rejected industrial action as part of the campaign. A ballot saw 440 T&G members vote for action and 516 against on a turnout of 69%. Amicus members too narrowly voted against strike action. Secondly, Peugeot Citroen have threatened to cut redundancy pay and bring forward the closure if workers take action to challenge their decision.

Union's Alternative

Time is not on the side of the unions. One shift is to be made redundant in July 2006 followed by complete closure in mid 2007. On May 12th the joint unions, T&GWU and Amicus, presented their preliminary alternative business case to the company. This involved:

1. Moving to a single shift operation in July 2006 with the loss of over 1,000 jobs in the short term.
2. Significantly reducing costs at Ryton by cutting the cost of labour as well as other costs throughout the plant, including management overheads, through an innovative labour agreement to achieve labour savings for existing employees and greater labour savings for new hires. What this means in practice is not spelled out, but it could possibly mean fewer workers producing more cars at a faster pace on lower wages and the pay rates that have been achieved through years of struggle not being offered to new workers. To try and get cost levels down to those expected from the Slovakian plant could mean large cuts, especially in the area of labour costs. If such wage differentials came into existence for workers doing similar work, it

would be a recipe for division, not unity, amongst the workers.

3. The trade unions are also committed to accepting all reasonable proposals by the company to improve productivity. But whose definition of "reasonable" will be used? What is reasonable for the company may not be so for the workers.

4. The trade unions hope that as they have always co-operated in terms of accepting initiatives to improve plant productivity, quality and flexibility, the new, undisclosed product will be built by two more shifts at Ryton in 2009/10 as the company has already admitted that building the product at Ryton will be profitable.

Despite the substantial savings proposed by the unions the company has declined the offer without any discussions, and therefore no agreement exists on any of these proposals. The unions believe that the company's calculations are wrong as closure would create "bad will" in the Midlands which will cost the company in terms of reputation and sales. The problem is that even if the unions were to be successful in reducing the market share and force the company not to close the plant, they would then have to spend millions in another high-profile campaign to persuade motorists to buy Peugeot products. Once buyers have switched brands, it is difficult to get them to switch back again. Would a consumer boycott therefore work?

The unions also believe that it is "morally wrong" for Peugeot to shut plants in the UK or in western Europe because "labour is cheaper in eastern Europe". Again the problem is that capitalist owners of manufacturing only have one moral - the profit and loss account. For them it is morally right to increase profits even more by transferring production, despite the hardship that this will cause to workers.

Throughout Europe the Peugeot-Citroen workers are planning a joint day of industrial action at all their plants to make clear to the company that their plans are unacceptable. Again this shows the determination to fight.

Up to now however the trade union campaign has been based on delivering greater productivity, greater savings and therefore greater profit to the company. And the company won't listen. Peugeot-Citroen and the products they make belong to the workers, not the shareholders, as it is those who work in the plants that actually create the wealth through their labour. On the basis of private ownership, of capitalism, that wealth is creamed off by the shareholders who are now demanding an even greater share of the wealth that is produced. They are not satisfied with 1 billion Euros. They want more. This is what determines their actions, not morals.

Nationalisation And Workers' Control

How can the plant be saved? The issue of nationalisation under workers' control will have to be raised and discussed amongst the workers. Peugeot workers and the society they live in have to reclaim the wealth that they have produced. The skills that they have can then be used to produce vehicles that could provide an efficient, reliable and frequent public transport system.

Once the plant is closed, these skills will be lost to society. We must learn from what happened at Rover. As Derek Simpson and Tony Woodley said in *The Guardian* on June 13th, "many of those who lost their jobs when Rover collapsed a year ago are still unemployed - and those who have found alternative work are usually being paid a half or even a third of their former wage".

Tony Johnson said that Peugeot had opened up a £5million Resource centre at the plant to help workers find jobs, but that "many workers, particularly those from the track, were getting negative feedback as they did not have transferable skills".

On the basis of capitalism, Peugeot workers face an uncertain future of unemployment, low wages, skills dissolution, stress and trauma. A campaign for public ownership of the company under workers' control could prevent that happening. □

CWU Prepare To Strike

At the Communication Workers Union (CWU) conference at the end of May, the result of the consultative ballot over pay, job cuts and other issues was announced. The overwhelming majority (98.5%) voted to reject the imposition of pay and job cuts, despite management's attempts to prohibit union reps from carrying out the consultative ballot. The executive committee has used the result to try to negotiate a deal. Management does not want to get involved in meaningful negotiation. Our union have given Royal Mail plenty of time to give us a decent pay rise this year. Now it is time to show management that we are determined to get a return on our productivity improvements. Management have been informed that

from the 3rd July the union intends to ballot the 136,000 Royal Mail staff. Ballot papers will be dispatched to members on 10th July to be returned by the 31st. The earliest we could be on strike is the 7th or 8th August. The strike ballot will be against the imposition of the 2.9% pay increase, 40,000 job cuts and the general changes in working practices. This will be the first national strike since 1996. The executive committee should not be complacent even though the consultative ballot was a success. We must wipe out any doubts that might creep in because of the narrow loss of the strike ballot in 2003 over pay. Mass meetings and other campaign material must be organised, involving the wider membership. At the same time Counters Staff are organising a consultative ballot on pay and job cuts. □

SUPPORT ASDA/WAL-MART STRIKERS!

by Our Industrial Correspondent

The GMB has announced a 3-1 vote for national strike action in 20 of Asda / Wal-mart's distribution depots, involving warehouse workers and drivers, affecting 300 Asda stores around the county. The present dispute is in relation to non payment of bonuses and the company's refusal to grant national collective bargaining rights. The company has threatened to end negotiation rights at the Dartford, Kent depot.

Depot workers in the General, Municipal, Boilermakers union, (GMB), have had a bitter battle with the anti union company Wal-mart/ Asda for the last few years. In 2004, management produced anti-union material when the GMB were campaigning for union recognition. The union got recognition in 9 of the 20 depots. This is in a sector with a high turnover of staff and widespread use of agency temps. Wal-mart was also fined £850,000 in 2005 by an industrial tribunal for giving financial incentives to workers to give up their union card. Asda was ordered to pay £2,500 in compensation to each of the 340 workers penalised. The reality of intimidation for trade unionists still exists today. Asda are the only supermarket not to have collective bargaining. The strike ballot had to be delayed for three months because management would not supply the union with details - under employment law the union must tell a company which union members are going to strike and where. This is yet another hoop workers have to

jump through to defend basic rights. Union members have reported that higher than normal

numbers of agency staff have been hired in preparation for the strike action. Wal-mart has made it clear they will use any means to defeat the strike. The GMB has sent letters to 62 employment agencies warning that supplying scab labour could cost them £5,000 per scab, with the possibility of losing their operating licence for 10 years. The GMB is planning to have surveillance cameras at picket lines to prove what scabs have been hired from what agency.

Despite Wal-mart making £775 million profit in 2005 they do not want to give bonuses to 100,000 of their staff who made that profit for them. Management believe that they should have made £850 million. By not giving any bonuses the company will save £12 million at the expense of their employees. No wonder five of the Wal-mart family are in the top 10 richest people in the world.

Wal-mart is a well known anti-union company worldwide. Wherever they go they get fined or sued for violating workers rights. A stand must be made against such companies. The Spirit of the Grunwick dispute 29 years ago should be invoked i.e. an injury to one is an injury to all. This dispute united the trade union movement to support low paid workers against bully-boy management. The labour and trade union movement must offer full support to these workers. Meetings and rallies around the country should be organised to show solidarity. □

Unison Conference

Bournemouth 2006 – The Phoney War

by Mark Turner, Branch Secretary, Cardiff County Unison (personal capacity)

THIS YEAR UNISON's Local Government and National Delegate Conferences took place in Bournemouth. Whilst the weather may have been calm and sunny, storm clouds were sneaking over the horizon. Two issues dominated the conference, yet neither were explicitly played out on the conference floor except in short but highly significant bursts. The two issues were the increasingly paranoid methods of the ruling caucus in the leadership. The second was the issue of the forthcoming Labour leadership change. This issue, more than any other, was like 'the elephant in the sitting room' which dominated all the discussions and activity without being articulated.

In recent years the left has become less dominant in size at UNISON conference, even as the union in general moves further to the left. The strength of the 'United Left' on the NEC and Service Group Executives has waned as increasingly 'right' candidates have been elected, who previously would have been viewed as left wingers. However, the methods used by the leadership are becoming increasingly bureaucratic and obsessed with undermining 'the Trots' rather than leading the members in fighting privatisation, the pay freeze, and to save our pensions. The quality of contributions from the rank and file delegates this year was outstanding and in stark contrast to the NEC platform speakers, wheeled

down with speeches written by someone else and read out as if they were reading the back of a cereal packet. Anyone who spoke 'off message' or questioned the leadership was 'smeared' as a 'Trot', or intimidated in other ways.

During the Local Government Conference Christine Wilde, the President, allowed a promised afternoon debating the Local Government Pensions Dispute and its handling from the lead negotiators, to be cut short. This was clearly a hot topic and the queue to speak on two Emergency Composites was inevitably long and winding. So when some bright spark moved 'the question be put' there was widespread consternation. The vote on this was clear to all but Christine and she declared that there was a 'yes' vote, despite most delegates believing it to be almost two thirds against curtailing the debate. In an ensuing card vote the more moderate of the motions narrowly won the order of the day.

But whilst the leadership may have got the result they wanted, they had stirred up a hornet's nest and ordinary, non aligned delegates who were already incensed over the leadership's abysmal tactics in the Pensions Dispute, were angry at being treated with such contempt. When delegate after delegate spoke with anger and passion in support of the positions outlined by the United Left, the NEC chose to attack, both from the platform and using 'qui-

eter' methods. But for two delegates from the Cymru Wales Region who had had the nerve to question the leadership on both these topics, these 'quiet' methods of intimidation, simply had the effect of driving them further left. And most Cymru Wales Delegates were equally determined to close ranks against the leadership.

Add to this the centralised attempt to undermine the lay member run Regional Newsletters at conference and a dot to dot picture began to appear before delegates. The picture was of a largely incompetent leadership determined to defend their position and becoming increasingly paranoid. This may not drive your average union Branch Officer to sign up to the United Left, but the bungling on Pensions and increasing concerns about Equal Pay added to the refusal of the leadership to provide a fighting lead, will drive even traditionally 'right' Regions like Cymru Wales further to the left.

The Labour leadership issue lay like an iceberg beneath the surface of the conference. General Secretary Dave Prentis alluded to those 'waiting in the wings', saying that they should not count on automatic support from UNISON. And at a fringe meeting against the war in Iraq and any proposed invasion of Iran, Deputy General Secretary Keith Sonnet was prompted, by a question from the meeting, to declare that he did not believe UNISON could support a candidate who had supported

Biggest Ever Bournemouth Hands Off Venezuela Meeting

by Dan Morley

ON TUESDAY 20th June Hands off Venezuela activists held a UNISON conference fringe meeting, with Rob Sewell and John McDonnell MP speaking. The activists spent two days campaigning for the meeting, handing out leaflets for the event as well as selling the new magazine. As so often seems to be the case in recent years, there was a noticeable increase in interest in our organization and goals; this was displayed by a record HoV fringe meeting attendance of roughly 70-80 people, strong sales of literature and a lively, positive and encouraging question and answer session after the opening speeches.

Rob Sewell outlined to the delegates attending the fringe meeting the significance of Venezuela in the world, while emphasising its democratic credentials and the fact that it is indeed a genuine revolution, with millions mobilising and actively taking part in public life for the first time ever. He also gave a brief history of the country since Chavez was elected in 1998. John McDonnell then added his comments and thoughts on the immense significance the Venezuelan revolution plays for activists throughout the world. He said it reinvigorated activists in Europe. Both speeches were received well, with several delegates pledging to get their UNISON branch to affiliate to the campaign. □

the Iraq war.

A left NEC member informed me that the NEC was absolutely terrified that a left candidate would emerge in the Labour leadership contest. In fact they had refused to support a major trade union rally and lobby of Parliament against privatisation - 'Public Services Not Private Profit' - because it was co-ordinated through Labour MP John McDonnell's office. This lobby, supported by most major unions and fitting perfectly with UNISON's own positively public campaign, has been snubbed by our leadership. When the Standing Orders Committee refused several motions calling on the union to support the rally, the reason given was that since the rally had been co-ordinated through MacDonnell's office it was not a matter that the National Conference could discuss, but could only be discussed at the Labour Link Forum! This was seen by most rank and file delegates as inexplicable given that UNISON is THE biggest public sector union and would normally be expected to lead such a rally. Clearly, because the United Left were supporting the rally, the only option for the UNISON leadership would be to ignore it.

MacDonnell himself told the United Left Fringe meeting that there would be a challenge from the left, and in the fringes, the café areas around the hall and the social events in the evenings, the topic of the Labour leadership and the possibility of a left candidate dominated. As a mirror image of the NEC, unfortunately, many of the groups in the United Left, to varying degrees, support leaving the Labour Party, so there was no desire from them to raise the banner of a left candidate for the Labour Party leadership!

It was for this reason that it was hardly mentioned on the conference floor, yet one thing is certain, the union leadership can not blindly support Brown for leader, and his increasingly right wing posturing to appease the CBI has made it more difficult for UNISON to support him at all. □

Privatisation Of Public Services: Unions Launch Fight-Back

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

ON TUESDAY 27th June, around 1,500 trade unionists gathered at Westminster Central Hall, London, to launch a fight-back over the privatisation of public services. This was an excellent turnout for a weekday rally. Called by left-wing MP John McDonnell, the rally was supported by 15 trade unions which included transport unions RMT, Aslef and TSSA, civil service union PCS, fire brigades union FBU, communication workers' union CWU, and the National Union of Journalists.

Disgracefully, the TUC refused to support the rally, as did the largest public sector union, Unison. However, Kelvin Hopkins, MP, Chair of the Unison group of MPs, was one of the platform speakers. A couple of hours into the rally, a message of support suddenly arrived from Unison general secretary Dave Prentis.

Mark Serwotka, PCS general secretary, condemned the TUC for refusing to back the rally, and said pressure must be brought to bear on it to call a national demonstration in defence of public services, and also a national day of action against privatisation. He said the next Labour Party leader should not be Gordon Brown but someone like John McDonnell.

NUJ general secretary Jeremy Dear warned of the danger of privatising the BBC, saying the rationale behind de-regulation was "bollocks". He said what was needed were high-quality programmes and a commitment to excellence. He called for a united front to defend public services. Referring to the World Cup - and alluding to Gordon Brown - he said no football manager would substitute a player with another of the same calibre. The present Labour Party leadership were, to use one of their own phrases, 'not fit for purpose'.

Billy Hayes, general secretary of CWU, drew attention to the current water shortage in London. This was occurring at a time when Thames Water was making millions of pounds' profit and directors were awarding themselves record bonuses. To applause, he said: "We should be proud that the public sector is highly unionised, with better terms and conditions". He said that those, like himself, who were members of the General Council of the TUC, must insist it seriously take up the anti-privatisation agenda. Praising the high turnout, he said "We're on the beginning of something here". □

Hundreds lobby Parliament for "Public services not private profit"

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

On the 27th June there was the largest mass lobby of Parliament in decades. This lobby was supported by 16 unions as part of the campaign to keep services and jobs in the public sector rather than allowing them to be sold off to create profits for big business. The hundreds gathered heard speakers from PCS, NUJ, CWU, NUT, FBU among others condemn the TUC for not giving full support to the lobby. They called on the TUC to organise a further lobby in the autumn and a national demonstration in London. Mark Serwotka, General Secretary of PCS, called for a united day of action to be called by the TUC to show the government

the unions mean business and intend to fight to save services and jobs within the public sector. Jeremy Dear, General Secretary of NUJ, called on all present to tell MP's we would not except the neo-liberal agenda of the government and would not except attacks on jobs or services. He said we were sick of the third way from a third-rate government. It is time the TUC organised the mass campaign against the government. The mood of the hundreds at the lobby was a fighting one which agreed a united campaign with all unions who have members working in the public sector to save jobs and services. □

School Students Union

Building A School Students Union In Edinburgh

Socialist Appeal discussed the building of the Edinburgh School Students Union (ESSU) with one of its founders, Ewan Gibbs

SA: *How has the ESSU developed?*

EG: The ESSU has developed from beginning as an idea that one of the other Socialist Appeal comrades I am at school with and I came up with in response to the lack of serious representation in schools that students have. We saw that although there are so called student councils in most schools, these councils are just talking shops. In themselves they can never take any action, and if they mount an opinion that is contrary to that of school policy then they are just brushed aside. Since these bodies have no real power or influence they cannot do anything about this. We discussed this idea further and more extensively with another Socialist Appeal comrade, who told us about similar organisations all over Europe. It was decided that there was no real reason why there should not be a similar organisation active in Edinburgh, so we launched the ESSU in December, initially only in one school with the aim of gaining influence in more schools in the short term. Our first act was to launch a campaign against dress code enforced on students with a day of people not wearing it, this immediately got us support among people at our school as it is an issue that affects students every day. We now have influence in three schools, and we also have a publication, two issues old, known as the student mole.

SA: *What kind of obstacles have you found?*

EG: The first obstacle that we found with the ESSU was that management at school actually banned us from distrib-

uting copies of the mole. This was easy to get around, as we did so outside of their gaze. Another problem that we have had is a lack of political experience and awareness inside our membership. For instance this is evident on the issue of creating a formal membership structure; there is not one in place but there is some resistance to creating one. However as time passes I would expect this obstacle to diminish, as members learn from what happens in the union, and see what is the most effective way for the union to function.

SA: *What kind of structure do you think is the best for the union?*

EG: I would personally argue for a structure similar to that of any other union, in which schools would have branches with a general assembly made up of delegates from branches making central decisions. Immediate day to day running of the union would be handled by an executive committee elected by the general assembly. All positions would be fully accountable and recallable. Obviously such a structure would only be necessary if we had a large organisation. Just now all members effectively make up a general assembly and meet regularly to make decisions affecting the union. I would also press for small fees to be attached to membership, any organisation needs a secure cash flow to organise seriously to budget and so ultimately to function as a serious organisation.

SA: *How do you see the movement of French students?*

I was inspired by the actions of the

French students both at high school and universities. It was a great sight to see them fighting along side the wider working class. This clearly demonstrated the need for an organisation like this here where we are faced with attacks on young workers and the selling off of our education system. It is also worth noting that student action is now ongoing in Greece, where students have occupied most universities. Also there is action in Chile where high school students have clashed with police, and continue to defy the government.

SA: *How do you think the school students will build a strong organization?*

EG: I think that we will build a strong organisation by fighting on bread and butter issues but also by linking these up with wider issues, and showing that this is not just an issue in education, that it is a question of class, and political power. Only then can the correct analysis of the situation in education and of wider society be drawn. We will also have to take action on such issues, and explain our line, as well as gaining pockets in more schools. I think that an excellent vehicle for this will be the Student Mole. With a good publication that communicates our idea well, yet is relevant and accessible to school students we should attract interest, however I think that any action will also do this. Another way to build a strong organisation is to build one where tasks were taken on by everyone, I would hope that we can build an organisation in which there are no members that appear on lists only, an organisation where all members are charged with carrying out tasks and being active in their school. □

Hertfordshire FBU Strike Against Cuts

The fire service is facing a period of turbulence thanks to plans for 'modernisation' and 'efficiencies'. This is accountability talk for cuts. Hertfordshire fire services have been at the sharp end of a bitter dispute over the last few months. Tory controlled Herts County Council wants to save £500,000 by axing two fire stations in Radlett and Bovingdon, with the loss of 23 part-time/retained and 18 full time/whole time emergency response firefighters. These are the same staff recently praised by Tony Blair for being one of the first on the scene, fighting the biggest fire since World War Two at Buncefield oil refinery in Hemel Hempstead. The firefighters strikes in Hertfordshire that have already

successfully taken place mark the first time that the government has not granted army cover. Before the strikes two fire engines were removed by the Herts Fire Authority from the stations in a provocative act against fire crews. This left the public short of cover. They have also accused firefighters of "spoiling for a fight", despite the fire crews agreeing to reduce their action so an agreement can be reached. The cuts should have taken place by 1st June but pressure stopped that, though the County Council are determined that front line cuts (sorry, efficiencies) will take place on 31st July. Staff have been given their notice. If in a modern and efficient world we can not afford emergency fire crew cover, the question to ask is can we afford a system that puts money before people? □

No To State Funding - Unions Must Reclaim Labour

by Steve Jones

OVER THE years there have been all manner of official reviews on the funding of political parties. Behind all the waffle about 'funding democracy' and creating a 'level playing field' they all have one central aim in common - to break the link between the Labour Party and the trade unions.

However, the starting point for the Constitutional Affairs Select Committee in parliament now considering this question has been the issue of capping donations from 'outside sources' to parties. The Labour Party has even sent out a consultative document on party funding. Certainly many will be concerned about the high levels of individual donations from wealthy supporters being made to all the main parties, including Labour. The quite reasonable assumption being made is that these people are getting something back in return for all this sudden generosity. After all does it not seem odd that people who quibble about even quite modest pay increases for their workers should be equally able to bung millions of pounds towards political parties without even batting an eyelid? The recent Loans For Peerages scandal has provided one answer to this question.

Needless to say the main beneficiary of these huge individual donations has always been the Tory Party with its close links to big business and the old feudal relics of the landed aristocracy. So it does seem strange, at first glance, that Tory leader David Cameron should be proposing a £50,000 cap on individual donations. But do not be fooled. TULO, the umbrella organisation covering the unions affiliated to Labour, has pointed out in its submission to the parliamentary committee that, in 2004, 271 individual Conservative Associations in the constituencies raised a grand total of £17 million between them to add to the £20 million raised at a national level. TULO speculates that given the capping on spending at elections, most of this cash would have been surplus to requirement and therefore be available for use by the Tories at a national level. But, of course, what Cameron is really getting at is the issue of trade union funding of the Labour Party.

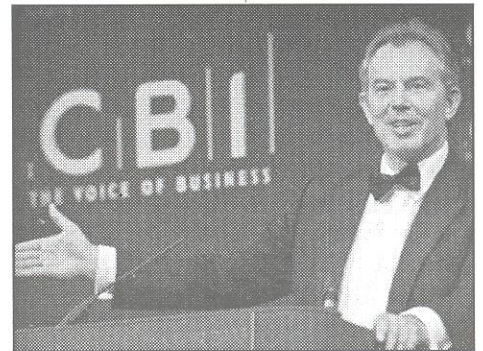
He wants the £50,000 cap to apply

to trade union donations as well, despite the fact that this money largely represents affiliated membership fees from millions of workers to the party. The Tories tried to undermine this by forcing the unions to hold ballots on whether or not a part of members' subs should go to the Labour Party or not. Unfortunately for them (and those fringe elements who claim there is no difference between Labour and the Tories) rank and file members of the unions have voted massively and repeatedly to pay affiliation fees to Labour. TULO warns that such a cap would, if unions were to be treated the same as individuals, cut union funding to Labour by £39 million over a four-year period.

Attempting To Break The Link

This would be crippling and leave the party open to increased reliance on donations from wealthy individuals and state funding. The Blairites and the Tories would be delighted. The Blairite clique has long dreamed of breaking the Labour-union link and turning Labour into some sort of clone of the US Democrats funded by - and therefore for - the ruling elite. To date they have failed. But the blanket imposition of a cap could provide them with another opportunity. State funding would be central to all this. Despite the right wing hatred of the public sector, both Labour and the Tories have been happy to accept state money. Indeed at present, if you take in to account the so-called Short Money given to opposition parties to help them in their 'work', the Tories have sucked £14 million out of the public purse over the last 3 years. It is not hard to imagine a long list of places this money could have been better spent.

Both the LP NEC submission and TULO have argued against attacking the affiliation fees. The NEC document muddies the water by rambling on about investing in democracy and establishing a dodgy sounding 'Foundation For Democracy', all very uninspiring stuff intended to sound Blairite without emphasizing the union funding issue. The labour movement must not fall into these traps. This is



another attempt to further disenfranchise the working class. The ruling class and their shadows in the Labour leadership can never be reconciled to the idea that Labour is the political wing of the trade union movement.

TULO whilst making some good points argues that neither the unions nor the party membership have any actual influence over the government so everything is OK. This is a disgrace. The membership of the party and the unions - the two wings of the workers' movement - should have a decisive say. Instead, Blair and co take their orders from unelected, unrepresentative, unaccountable bankers and businessmen. This is what capitalism means by democracy.

The fact that Labour is funded by the working class should not be a source of embarrassment but of pride. For the state to use the issue of wealthy bungs as an excuse to attack the link between Labour and the unions is a disgrace and must be opposed.

The task should be to build trade union affiliation to the Labour Party. These links should be strengthened and increased with workers demanding a greater say over those who govern supposedly in their interest. The time has come to reclaim the party from the Blairite carpetbaggers who sit at the top. Blair's well-heeled chums with their chequebooks should be sent packing. Labour must adopt a socialist programme and leadership - that in itself would see off the big business donors who would suddenly get cold feet about their largesse. The call should be: Labour defend Labour, one Tory party is quite enough - actually one too many! □

Scottish Socialists On The Verge Of A Split

by Pablo Sanchez and Kenny McGuigan

THE CRISIS in the Scottish Socialist Party hit the news when judge Lady Smith jailed SSP policy co-ordinator, Alan McCombes, for 12 days on May 26th, after he continually refused to hand over the minutes of a meeting from November 2004. This was the latest in a series of crises which has stretched the party almost to breaking point. The Court of Session action was brought by lawyers acting for the News of the World who are demanding to see the minutes of an SSP Executive Council meeting held on 9th November 2004 which culminated in the Executive passing a unanimous vote by 19 -0 of no confidence in party leader, Tommy Sheridan. This was the beginning of a process that has driven the SSP to the verge of a split.

The party leadership did not want Sheridan to take his fight against the bourgeois press to the courts, seen by many as 'away ground' to use a football analogy. However, the party's founder and leader (up until then) decided to pursue his legal case against the News of the World without the backing of his fellow members. In so doing Sheridan opened a Pandora's box, and now it cannot be closed.

It is not wrong in principle to use the courts, indeed, sometimes it is absolutely necessary to do so. However, it is always also necessary to campaign outside, in the workers' movement, and always to remember that the legal system is an integral part of the capitalist state machine. Ultimately its task is not to ensure 'fair play' but to protect capitalism, and the rights, power and privileges of the ruling class. What is unacceptable is to turn the idea of fighting in the courts into a principle, as Sheridan appears to have done.

Similarly, where possible socialists would be foolish to refuse an invitation to use the pages of the bourgeois press to promote our ideas. However, even the most charismatic socialist cannot use the rich man's press without knowing that at some point these same papers will turn around and attack him.

Whether a struggle is conducted on the parliamentary front, in the courts or in the press, the most important question is not the strength of personality of

individual leaders, but the programme, the political ideas that are being defended. Marxist ideas do not make it impossible to fight on any of these fronts. On the contrary, they should enable us to understand the nature of such struggles, and therefore the need to use each and every one of them as a rallying point in the workers' movement and amongst the youth.

What is most vital then is organise socialists in a Marxist organisation, based on the rock solid foundations of Marxist theory, and a revolutionary programme. Unfortunately this is something that some SSP leaders openly say is not necessary, Sheridan amongst them. He was at the forefront of those party leaders advocating the old (failed) idea that national freedom could be achieved first and then socialism would be possible in some vague future. This outdated Stalinist idea is supposed to be more "realistic" for the working class.

Importance Of Theory

It was just such political naivety, or at any rate error, that allowed Sheridan to rail against the bourgeois media one week only to have a double page article about his family appear the week after in the same papers. Of course, socialists can use the pages of the bourgeois media on those rare occasions when they are open to us to argue for our ideas. However, we can never fall into the trap of believing them to be somehow 'on our side'. Once again this demonstrates the importance of Marxist theory, to understand the nature of the media, its role and purpose in capitalist society.

Marx long ago explained that social being determines the consciousness of an individual. Clearly hanging out with the likes of George Galloway has had a certain impact on the outlook of Sheridan. He now claims that there is a clique within his party more obsessed with gender issues than with the class struggle. It is interesting that only when his political career is at risk, does he begin to recognise errors that rank and file members have pointed to for some time.

For many of the SSP leaders socialism now comes second to national independence. This is only a variant of the old Stalinist theory of 'stages' that has been such a disaster all over the world. Now Sheridan is complaining about the lack of socialism and how the SSP has ceased to be "an organisation conducting class struggle". For as long as we can remember a regular columnist in the SSP's weekly paper has been arguing against socialism (astonishing as that might seem). Why has Sheridan never complained about this in the past? Kevin Williamson, who is a successful publisher and author, has openly attacked Marxism in his writings in the party paper. That party paper is financed by the rank and file who were, and still are, attracted to the SSP because they thought it was a socialist party. Yet when the Queen came to open the Scottish Parliament, Williamson wrote an alternative "Declaration of Calton Hill" which did not once contain the word socialist.

Less than a month ago, we read in a column recommending how to get introduced to socialism: "There are first principles involved related to how power operates and how it sustains its dominant position the world over. For instance, the power structures in Soviet Russia, Maoist China and even Castro's Cuba were constructed on the same organising principles as the hierarchical elitist power structures in Bush's America or Hitler's Germany" (SSV Friday 19 May 2006). He goes on to advise his readers to study Chomsky in order to learn about socialism! There was no letter from Sheridan complaining the following week, but, to be fair to the rank and file, there was one from another member criticising some of Williamson's errors.

Sheridan has produced an open letter, highly critical of the SSP leaders, which was widely circulated in the press before the membership got to see it. He appeals to the natural instinct of socialists to support him in a struggle against the Murdoch press machine and so on. However, there are vital questions here that cannot be swept under the carpet in a show of unity for Sheridan against the bosses'

press. These are questions central to building a revolutionary socialist organisation in Scotland.

Naturally all socialists must side with the SSP against an attack from the state. Unfortunately, Sheridan has handed them their weapons on a silver plate. As a result, Lady Smith had the legal right to raid the offices of the party.

Alan McCoombes, policy co-ordinator of the SSP, went to prison for a few days because he stuck to a decision of the party not to release the minutes of the National Council that the News of the World claims will prove their allegations about Sheridan's private life.

Whilst he has to be congratulated for his personal stance, what a tangled mess they have got themselves into, not in a struggle against capitalism, but in a petty squabble inside their own party.

Sheridan has effectively split the party with the idea that they must unite behind him in his war against the bourgeois media. The movement must always be above the personal pride and prestige of any of its members. In fact the SSP leadership is partly responsible

for the promotion of the idea that only "Tommy" was jailed against the Poll Tax and so on!

Reading the pages of the SSP press it would seem as if there are no political differences behind this split in the biggest organisation of the 'far-left' in the UK. Instead one needs to buy The Herald, The Scotsman, the Daily Record and the Scottish Sun to find out about the latest developments. This is a media binge that is damaging the entire socialist movement.

Marxist Ideas Needed

In the old days of the labour movement debates were carried through the pages of our papers and bulletins, now some elements in the socialist movement seem to be more interested in filling the pages of the bourgeois media.

Of course, the media allow the SSP leaders to use their pages occasionally. They do so in order to be better able to savage them immediately afterwards. The Herald is the serious bourgeois paper in Scotland, the Scottish Sun (the "tartanised" version of Murdoch's rag)

is the pit bull of the ruling class. Now the Herald happily ponders over about how the SSP's crisis will "ill serve the democratic process" (*The Herald* Editorial May 29). We must reject and denounce this hypocritical view, this attack is not only an attack on the SSP but the whole socialist movement.

Hundreds of trade unionists, young people and committed socialists have given their time, energy and money to build the SSP, they must now be looking for a way forward, a way out of this mess. That way is only to be found in theory. Ideas and programme must come first. The present path can only lead to further crises and splits. The working class deserves better leadership, a leadership based on the lessons of the history of the movement. The task today is to build a leadership worthy of standing shoulder to shoulder with the working class. To construct such a powerful force a solid foundation is required. That foundation can only be found in the ideas of Marxism, on this rockbed alone can a democratic, internationalist and revolutionary organisation be built. □

Campaign for Socialism Conference

by Tam Burke, Edinburgh S.W. Labour Party and CfS members (all in a personal capacity)

THE SUN shone bright over Glasgow when former minister Michael Meacher spoke on energy policy and also Labour Party democracy at the June Cf S Conference. He advocated the use of Britain's plentiful renewable energy resources, along with a far greater effort at energy conservation as the way to and is also opposed to the continued use of nuclear power. The Scottish Trade Union Congress (STUC) speaker showed how it is facing in two opposite directions by supporting both nuclear and non nuclear solutions to fill the forecast gap in future energy supply. A "distinct Scottish energy policy" would use coal, but there is a "lack of willingness by Government and companies to invest" in using new methods.

The Scottish Educational Research Association (www.sera.ac.uk) speaker rejected nuclear power and proposed far less costly and safer means such as micro CHP (combined heat and power) sites for homes, but "business needs to embrace these technologies" he said.

The general discussion was all too short, with the balance of views expressed being anti-nuclear, though wind generation was also rejected by some comrades as unreliable due to a lack of wind sometimes, even in breezy Scotland. Unfortunately, I didn't manage to speak and make the obvious point arising from what had been said, it mustn't be left to business. The nationalisation of the energy industry under workers' control is required to meet energy needs.

Saving the Labour Party by members regaining democratic control was the afternoon's discussion. Michael said that the Private Finance Initiative policies, costing the tax payer £100

billion so far, was seriously failing. "these decisions were made by one man, surrounded by a clique of unelected people in league with Big Business and Finance". Elaine Smith, Member of the Scottish Parliament, also repudiated the course taken by the labour leadership and urged members to get involved with the independent commission for LP democracy, of which Michael Meacher is Chairperson (contact office@labourcommission.org.uk).

Members present felt that there should be a contest for the Labour leadership and that the Left should offer a socialist alternative party members by putting up its own candidates. For more on the Campaign for Socialism see www.thecitizen.org.uk □



Hands Off Venezuela

HOV Goes To Holyrood

by Pablo Sanchez - www.handsoffvenezuela.org

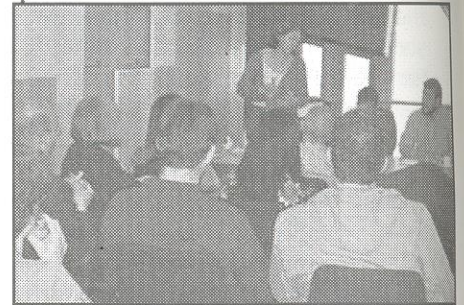
While the Scottish Parliament had the pleasure of listening to Prince Charles waffling on about something, in the same building for the first time ever a Venezuelan revolutionary was talking about the need for the World Socialist Revolution. It was certainly a refreshing speech by Jose Antonio Hernandez on his third day in Scotland, and the event will have enormously helped to strengthen the Hands Off Venezuela campaign.

The meeting was hosted by Frances Curran, SSP MSP and organised by Barbara Scott, a Parliamentary assistant for the SSP Group. Hands Off Venezuela would like to use this opportunity to thank them and all the other MSP's that have supported us. After showing Jose Antonio Hernandez and members of HOV around Parliament, a press conference was held, which 20 people attended, including 5 MSP's from three different parties. Frances Curran (who chaired the meeting) and

Rosie Kane from the SSP, Mark Ballard and Chris Ballance from the Greens and Elaine Smith from the Labour Party intervened. All the MSP's present were enthused by the range of the social reforms being carried out in Venezuela and how these are improving the lives of millions of people. Elaine Smith even proposed a cross party group on Venezuela.

Jose Antonio Hernández gave a brief outline of the situation in Venezuela and raised with the MSP's the need for international solidarity. He explained the case of the Union of Retail Pharmaceutical Proletarians in the company RACE. All those attending took on board their demands and promised to send solidarity messages and try to put the campaign on the floor of the Scottish Parliament.

So far the Scottish Parliament has seen two motions presented on Venezuela. One from Rosie Kane, SSP(Glasgow), S2M-2576, against the



assassination plots by the US government and another by Frances Curran (West of Scotland), S2M-3968, highlighting the social developments that have been achieved in Venezuela and the need to denounce the attacks from internal and external opponents. (You can read the motions on the website of the Scottish Parliament).

The visit to Holyrood was the highlight of a very successful speaking tour that should boost the development of Hands Off Venezuela and strengthen the ties between Venezuelan and Scottish revolutionaries. □

HOV meeting in Edinburgh

by Adam Ley-lange

ON THURSDAY 1st June Jose Antonio Hernandez, a Venezuelan Activist from Caracas, member of the Revolutionary Socialist Youth and spokesperson of the Revolutionary Front of Workers of companies occupied and under co-management FRETECO, completed his speaking tour of Scotland and Northern England. The meeting marked the culmination of a highly successful visit, and all on the day before his 22nd birthday!

The meeting was held at the CWU Postal Workers Union Club, Brunswick Place, and was attended by around 60 people. This represents a major victory for the Hands Off Venezuela campaign in Edinburgh, the first meeting of which attracted less than 10 people. It was also a welcome opportunity to receive a first hand account of the events that have taken place in Venezuela since 1992, and cut through the blackouts and distortions conveyed by the media.

After commenting upon the processes occurring within Venezuela, Jose Antonio also took questions from the floor. What followed was a reasonable amount of questions, and a couple of contributions. Members of the audience were keen to find out how they could help the movement within Venezuela, the relationship of Venezuela with other Latin American countries, and how the mass of the population were trying to take their destinies into their own hands. We



hope that the answers that were provided will encourage people to become more involved with the campaign here in Scotland.

We also received a pleasing financial result, with a collection of almost £100, and a good sale with the reading material that we had brought. This will enable us to build for public events in the future, especially during Edinburgh University Freshers Week in September.

The same day but few hours earlier Jose Antonio Hernandez had spoken at the UNISON Local Government branch in Falkirk where about 20 shop stewards and trade union activists heard a lead-off about workers' control and co-management. That branch was one of the first ones in Scotland to affiliate to the Hands Off Venezuela Campaign and sent two delegates to the first National Conference. Motions of solidarity with the victimised workers at RACE were also distributed.

The Edinburgh University Hands Off Venezuela Society would like to thank Jose Antonio Hernandez for his inspirational visit, and to wish him well in his interventions in the movement within Venezuela. □

"Venezuela today ... the world tomorrow?"

by Russell Dawson

"Venezuela today ... the world tomorrow?" received its first screening at a public meeting at Newcastle Arts Centre on Wednesday, 31 May. First on the agenda though was Jose Antonio Hernandez, a young comrade from Venezuela who is touring Europe, who described the recent turbulent history of the country and prospects for the future.

Jose Antonio explained the reasons behind the revolution: workers and the urban and rural poor were not only excluded from the wealth created by oil extraction but the oligarchy were piling further misery upon the masses; at the same time, a section of the army around Chavez were prepared to risk life and limb to intervene on the side of the masses. He went on to describe the subsequent election victory of Chavez, the opposition of the oligarchy culminating in the coup in April 2002 and the bosses' lock-out later in the year. He described the work of some of the "misiones", so hated by the multinationals and the imperialists, to combat illiteracy, to provide health care in all parts of the country and to provide good quality food at cost price.

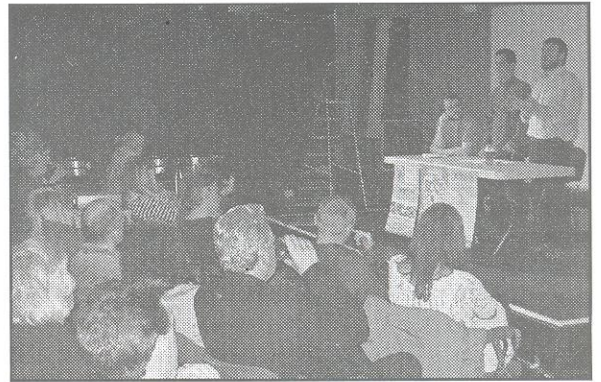
Of particular interest to me were anecdotes given by Jose Antonio as an eyewitness and participant. For example, on the coup, he described how a movement of the masses gave confidence to the more revolutionary wing of the army who then went on to rescue Chavez and defeat the coup.

And, as a socialist, I am particularly interested in how the movement is

moving away from simply being against injustice and inequality. More and more, workers are organising as a class and each conquest prepares the ground for the next battle. The movement to for workers to take control of factories shut down by the bosses led, first, to the demand for nationalisation and, more recently, the coming together of the different occupied factories into a national body, FRETCO, the Revolutionary Front of Workers of Factories under Co-management and Occupied. The next stage will require "the working class will place itself at the forefront of the revolutionary struggle with the oppressed and exploited to achieve socialism."

The second part of the evening was a showing of "Venezuela Today ... the world tomorrow?" produced by Tyneside socialist Julie Nicholson who attended the World Social Forum in Caracas last year as part of a UNISON delegation. Julie's enthusiasm for the revolution came through the interviews with workers occupying their factories and with activists in the "misiones". It expressed well the vibrant, positive mood of workers in Venezuela. Interviews with members of Hands Off Venezuela! indicated how the revolution has infected a layer of activists internationally.

The meeting was supported by Gateshead UNISON and Hands Off Venezuela! and gained widespread publicity due to the work of both organiza-



tions. As a result over 100 were present. It is fair to say that there was a little tension beforehand over whether the evening should be a political event or a cultural event with political overtones (there was Latin American food and music later on). Most present seemed happy with the compromise achieved and delighted with the turnout which will help relaunch the Hands Off Venezuela! campaign on Tyneside. Our next activity will be at the Durham Miners' Gala where we have a stall.

I will leave Jose Antonio to conclude:-

Long live the struggle of the exploited and oppressed because they will change the world!

Long live the World Socialist Revolution because the world belongs to all peoples!

We must support Chávez and the Bolivarian Revolution!

Workers of the world unite!

PCS Conference supports HOV

One more trade union conference in Britain, one more union affiliated to the Hands Off Venezuela campaign! The latest one was public services union PCS. 1300 delegates met in Brighton for their annual conference from the 5th to the 9th of June. One of the issues on the agenda, under the international discussion, was support for the Venezuelan revolution and affiliation to the Hands off Venezuela campaign, which was passed almost unanimously.

Hands Off Venezuela had a stall on Wednesday which was very well received by delegates, many asking questions and showing interest in the issue of Venezuela and the struggle against US aggression. HOV also organised a fringe meeting on Wednesday which was well attended. PCS General Secretary Mark Serwotka was unable to attend the meeting but sent a letter congratulating HOV for their affiliation and gave full support to the campaign.





Jeremy Dear speaks on the TUC delegation to Venezuela

National Union of Journalists general secretary Jeremy Dear gave a debriefing to solidarity activists on Wednesday June 14th at the union's headquarters in London, of the first official TUC delegation to Venezuela. Here are some heavily edited extracts from his report back - the full version can be found on www.handsoffvenezuela.org

For those of us who hadn't been to Venezuela before, I think there was some sense of trepidation as to what we might find. Clearly, we know the statistics. We have UNESCO declaring Venezuela free of illiteracy, we have the huge advances that have been made in terms of addressing infant mortality, about huge rises in life expectancy, about the people who have been brought into education, the people who have been brought in with coverage of health, the 1.2 million people originally denied care now being treated in health centres and so on....

What we didn't know was what the situation on the ground was and how those statistics bore out in reality. Behind every one of those statistics there are human stories... I think that is what is particularly inspiring about the situation in Venezuela is the participation of people in this revolutionary process.

It is not just a process driven from the top. It is not just a process driven by a small number of people, it is a process in which millions of people are engaged, right across the board and in many different ways....

We... had the opportunity to see some, although not enough, of the new media. We were given a pamphlet by people from the National Assembly detailing more than 200 new "alternative" media outlets that had been created in the past few years, from TV stations to magazines to newspapers to online services. Really destroying this idea that there is this huge wave of media repression, which again we've seen repeated in the British media around the release of the 'Secuestro Express' film, talking about how they're trying to clamp down on everything, close everything down in Venezuela.

I think one of the most inspiring part of our visit was seeing the developments within the trade union movement. Because it was a fact-finding

mission and because the CTV are the official union affiliated to the ILO, we agreed that we would meet with them. We would be obviously with the UNT and I think that just meeting them was instrumental in showing the difference between these organisations.

We went to the CTV headquarters, most of which is now empty, pretty much in darkness, yellowed posters on the wall. We went into this room and met a group of men sat round a black reflective table. It was like a scene out of *Reservoir Dogs*. We all kind of stepped back, looked behind us. We met with Manuel Cova, who, as people will know, was heavily involved in the coup against Chávez, he's pictured in the palace sitting in one of the chairs with all the other gangsters involved in the coup. So we said to him: "Why were the CTV involved in the coup?"

He looked affronted...and denied that they were involved in the coup and he denied that he personally was involved in the coup. So we produced photos of him sat in the palace and said: "That's you, isn't it? And this was the coup."

He went: "Ah, now I see the confusion. This wasn't a coup, it was a popular uprising against President Chávez."

That is the way that they justify their participation in the coup, by saying that it was a popular uprising. To be honest, while we were there, the phone never rang; nobody ever came into the building. We left there and we went across town to the UNT headquarters.

We met with all the different factions of the executive round the table, people coming in all the time; most of them were on two mobile phones at once...

When we then went to the UNT congress on the Friday, we spent about the first three hours of the congress reading out socialist and Bolivarian and solidarity greetings from virtually every

workplace in the whole of Venezuela. It was a slightly laborious but inspiring process. You can't quite imagine the TUC conference saying: "And the people who work at Tesco in Hither Green would like to send socialist and Bolivarian greetings to the TUC."

It was that kind of fervour, a sense that they were creating something new. People talked all the time about putting that slogan that we all use, "Another world is possible," about putting it into practice. And there were all kinds of ideas. There were good and bad ideas, there were all kinds of different factions involved, all kinds of differences about the way forward, about whether there should be elections now or they should get Chávez elected first and then have their own elections.

Support For Revolution

What was clear from everybody was their absolute support for the revolutionary process that is happening. The UNT is growing at a huge rate. One of the reasons that the conference was delayed was because there were so many new union branches that have been formed in the run up to the congress, people who have moved from the CTV to the UNT, that they actually had a huge struggle with the registration process of delegates. Something like 2,500 delegates were registered for it. Again, we got a very clear perception of the difference between the old trade unionism and the old regime and what is happening there now.

The... thing that they really wanted us to talk about was how we address the perception in the outside world that Chávez is a dictator who's centralising power and represses the media and so on. That's where we had the discussion with President Chávez himself and with some other people there about what we can do to try to establish some kind of pan-European campaign that helps

to tackle those perceptions and helps to make available real information about what is going on in Venezuela, particularly from the position of my own union. That's a very important thing that we can do. We've certainly put down some plans about helping journalistic exchanges, about building contacts.

We have to be much more upfront about taking on the kind of media coverage that we saw during President Chávez's visit to London, the Daily Mail line about how he's the Taliban-loving, drug-running dictator of Latin America. It is very important that we try to tackle some of those issues in a much more active way. I'm talking within the NUJ about how we might be able to help build alongside Hands Off Venezuela, how to begin to tackle some of those issues in a much more concerted way than we have done up to now.

What they said was that the best thing that we could do was to build the socialism of the 21st century in Britain. I told them that we'd be delighted to take that on as a major project for the coming years, but actually what they want in many cases is an exchange of what they mean by socialism of the 21st century, because it is a slogan which is used, but which is also actually a living debate, on the streets, in the workplaces, in the schools, about what is meant by it.

One of the concrete proposals that came out is that they talked about having a kind of week-long event in London and a week-long event in Caracas, in the course of the next 12 months, around the subject of the socialism of the 21st century." Bring people from Latin America and also from other parts of Europe. They talked about engaging with us in helping to set up something like that, as a real point of taking on the political arguments about, when we say "another world is possible," when we say "the Socialism of the 21st Century," what do we mean by that and how can we achieve it.

Because I think that they recognise that they cannot do it as an isolated country, hence the Bolivarian dream. But they also recognise that even just within Latin America, it needs to be a wider socialism that they build. A lot of people there talked about some of the ideas com-

ing out of the international movements that they've been involved in. They want to reengage with those international movements.

So I think that it would be very important for us to engage with that and to try to help host in London part of it. They're talking about a substantial kind of event happening which opens up the political debate, not just the kind of statistics about health and education, but where do we go, why are we doing this, how do we achieve that socialism?

Just finally in terms of what happens from now with the TUC, because it was a TUC delegation. A report is compiled and I have to say, there were four of us on the delegation and our politics kind of were not the same. Whilst broadly we were all supportive of the Bolivarian Revolution, you kind of went from me on the left to other people on the right, so much so that one person even kind of proposed that we should still keep links with both the CTV and the UNT.

Inspiring

That won't be the position. What's going on there did very much firm up in the minds of those people, who maybe were not as involved as I and one or two others have been up to then, that there was a genuine revolutionary process, there was the participation of millions of people, there were very real and concrete social advances in health and education and other areas that were there to see, not just in statistics, but actually you could go and physically look at them. That some of the new organisations, social movements and the UNT trade union federation were actually genuine expressions of the debate and discussion that is going on right across Venezuela. And that there is a genuine attempt to build a form of socialism and that that deserves the support of the British trade union movement.

And I think that is what the TUC report effectively will say... Probably as you can tell from me, and I think certainly from the other people who were on the delegation, we've kind of come back inspired and ever more ready to do more and more to build the kind of solidarity that's needed. □

Venezuelan Marxist speaks in Glasgow

by Chris Rutherford



ON THE 31st of May, Hands off Venezuela and our comrades at Scottish Socialist Youth organised a joint meeting in Glasgow to kick off the Venezuelan Marxist Jose Antonio Hernandez's speaking tour of Scotland. Jose is a member of both the International Marxist Tendency and the Revolutionary Socialist Youth in Venezuela. The packed room of 45 seemed eager to hear what he had to say, and there was a feeling of anticipation in the room as he prepared to speak. These numbers were especially good, considering there was an SSP meeting taking place in Glasgow at the same time. It was a fantastic opportunity for all attending to hear about exactly what was happening on the ground in Venezuela.

Jack Ferguson (SSY national organizer) introduced the meeting, before Jose spoke about events in Venezuela. Jose opened by saying that "The Bolivarian Revolution is born out of the contradictions of capitalism in Venezuela." He was animated in describing life in Venezuela before the revolution, and talked of the inflation that caused the original uprisings there. He spoke of Chavez's rise to power, and about his moves towards socialism, and all he has done to help the Venezuelan working class. His speech finished rather aptly with the Karl Marx quote, "Workers of the World unite!"

A long question and answer session followed, with questions ranging from the general feel in Venezuela, to specific issues such as the wages for housewives initiative. People were very interested in hearing his answers to their questions, as it is a rare opportunity to be able to talk about Venezuela to someone who has been working within the revolution there.

After the meeting, the mood was positive, and I can't help but think this was more than just a meeting: it was a kick-starter for some action. □

Globalisation and Imperialism- Part Two

by Mick Brooks

IN A recent book *Collapse*, Jared Diamond deals with the collapse of societies in the face of changing environmental and other conditions. One such example was the disappearance of the Vikings who had made their home in Greenland at the beginning of our Middle Ages. They were confronted with a 'mini-ice age'. (*Collapse: how societies choose to fail or survive*, Penguin Books, 2005) The reasons for their demise were complex and we don't have to endorse or even discuss Diamond's explanation. Here we just note his observation that the Vikings starved because they could no longer keep cattle, while the Inuit survived by fishing.

Had Kautsky been alive at the time, he would have concluded that the Greenland Vikings were 'bound' to copy the Inuit in order to stay alive. But they didn't, and they weren't all stupid. They were trapped in a mode of production that had served them well for a time, and which they couldn't break out of when they needed to.

In the same way the big firms that emerged at the beginning of the twentieth century made a very good living by a strategy of alternate alliances with some rivals and murderous competition with others. These firms were also bound up with their nation state. The state became involved in these disputes and this led, in the end, to a war which was catastrophic for the system as a whole, causing massive destruction of productive forces and human life.

Bukharin explains that peaceful alliances prepare the ground for wars and in their turn grow out of wars; the one conditions the other, producing alternating forms of peaceful and non-peaceful struggle on one and the same basis of imperialist connections and relations within world economy and world politics. (*Imperialism and World Economy*, Merlin Press, 1972)

In other words it is not all down to the 'choice' of the capitalists. Bukharin's impressive pamphlet was written a year before Lenin's. Lenin endorsed it with an introduction. It seems likely that Lenin only wrote his own work because

Bukharin's manuscript was lost, and was not recovered till after the October 1917 Revolution.

We hope we have disposed of the argument that capitalism will stop war because it is in the interests of capitalists to do so. But this is only an application of the argument of Kautsky, (and of the Globalists today) that capitalism is a rational system. Kautsky was putting forward the idea that imperialism was not the highest stage of capitalism (as Lenin's 1916 pamphlet was later subtitled) but would be succeeded by a higher (ultra-imperialist) stage which would not need to feed on war.

Lenin had analysed capitalist development as inevitably uneven, contradictory, crisis-ridden and bloody. We believe these are basic features of the system and will remain so till it is overthrown. And it is because of this that we regard globalisation theory today that denies this as completely misconceived.

Against Ultra-Imperialism

Lenin used Marxist analysis to argue against the theory of ultra-imperialism. The first question to address to Kautsky was - what was the future of capitalist development? Would it move from conflict to harmony? Lenin denied there was any real sign that ultra-imperialism (the equivalent to 'globalisation' of 1914) was the future. Certainly Kautsky's 1914 perspective that the imperialist powers would cut a deal to end the War was falsified:

"If the name of ultra-imperialism is given to an international unification of capital (or, more correctly, state bound) imperialisms which 'would be able' to eliminate the most unpleasant, the most disturbing and distasteful conflicts such as wars, political convulsions, etc., which the petty bourgeois is so much afraid of, then why not turn away from the present epoch of imperialism that has already arrived - the epoch that stares one in the face, that is full of all sort of conflicts and catastrophes? Why not turn to innocent dreams of a comparatively peaceful, comparatively con-

flictless, comparative non-catastrophic ultra-imperialism." (Lenin's introduction to Bukharin's *Imperialism and World Economy* p. 12)

For Lenin, Kautsky was dreaming, not facing up to reality. But his mistake was part of a wider error in method:

"If the purely economic point of view is meant to be a 'pure' abstraction, then all that can be said reduces itself to the following proposition: development is proceeding towards monopolies, hence towards a single world monopoly, towards a single world trust. This is indisputable, but it is also completely meaningless as is the statement that 'development is proceeding' towards the manufacture of foodstuffs in laboratories. In this sense the 'theory' of ultra-imperialism is no less absurd than a 'theory of ultra-agriculture' would be." (*Imperialism*, p. 87)

Capitalists would like to manufacture food in labs. They find nature a nuisance and an obstacle. They still don't make food in labs, though they use laboratory techniques. So 'ultra-agriculture' can be called a tendency, not an accomplished fact. And, for the same reason, we still haven't got one world trust, though concentration has advanced with giant steps since Lenin's time.

Lenin is ridiculing Kautsky's rationalist interpretation of capitalist development, which ignores contradiction as fundamental. He sees that as the nub of his error. The same is true of the Globalisers today.

There is a tendency at work for the concentration of capital. Lenin does not deny it. But a tendency is not the same as a linear trend. It is a force at work in the economy, giving rise to counter-acting tendencies. To identify a trend does not allow us to predict the future, as positivists believe.

The whole perspective of globalisation is based on mechanically identifying forces at work and attempting to predict the end state they will tend towards. Marxism, on the contrary, allows us to understand the tendencies at work and explain the processes going on beneath the surface. The

quote from Lenin clearly shows the difference between our approach and that of the Globalisers.

The second question is this: let us assume it is in the interests of capitalists to have peace rather than war, i.e. peace is rational (and remember war can be very profitable for some capitalists). How does an anarchic system generate a power that can impose agreement? Who decides, and how do they decide?

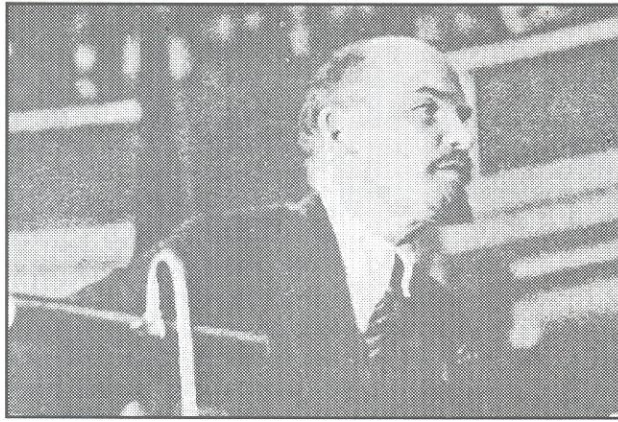
Kautsky's answer was that a deadlock could occur between two evenly matched imperialist powers. When each realises they could not overwhelm the other, they would eventually come to an accommodation. Again, Kautsky displays the fallacy that, because most capitalists have a well-developed sense of self-preservation, disasters can't happen under capitalism.

First it is possible that each side may regard itself as potentially the stronger. This produced the 'one more heave' mentality of the generals on both sides that sent millions to their deaths in the trenches. Two evenly matched imperialist blocs can produce bloody deadlock, not agreement.

Nor is this just a case of capitalists 'getting their sums wrong'. Individual capitalist firms decline and fall as part of the competitive process. They cannot choose to walk away from the industry where they have made their living for generations even though they know their competitors have the upper hand.

The same is true for imperialist powers. Bukharin explains why such a deal will break down. Ironically capitalist economists use the same method of analysis to explain why price-fixing rings are likely to break down in industry. Kautsky asserts that imperialist blocs will do a deal if they are equally matched.

Bukharin points out that this means a "relatively equal level of development of the productive forces." (ibid. p. 136) But the dynamics of capitalist development continually destroy such temporary states of equality. "Where the difference in economic structure is considerable, where there is, as a consequence, inequality in the cost of production, there the (more efficient) state capitalist trust finds it unprofitable to



enter into an agreement." (ibid. p. 136)

He then introduces state policy as an extra factor in preventing competition on 'a level playing field'. "The stronger state secures for its industries the most advantageous trade treaties and establishes high tariffs that are disadvantageous for the competitors." (ibid. p. 137)

The Bolshevik theorists of imperialism had a very different view of the state's role from the Globalisers, who believe it will become increasingly irrelevant in the present era. As we shall see, Lenin was right and remains right.

Actually world imperialism did achieve a period of stability after the Second World War. This was not because two warring blocs were caught in deadlock, as Kautsky suggested in his theory.

On the contrary, as Paul Hirst and Grahame Thompson point out in their article *The Future of Globalisation*: "This" (stability) "was only possible because of Allied military victory and the unassailable economic dominance of the USA. Globalisation was restored by military force and national policy, it was not a 'natural' state of affairs." (in *The Handbook of Globalisation*, p. 18)

Moreover, US hegemony allowed economic growth, so American dominance no longer seemed 'unassailable'. The concordat between rival imperialisms therefore increasingly creaked and cracked over time.

Forward to the past!

Globalisers present the present era of capitalist development as entirely new. Capitalism is progressively eliminating barriers to its unfettered development. Trade is becoming more and more free, and therefore more important in driving

all the national economies forward. The 'factors of production' have been freed to go wherever they can be used to the optimum.

We've been here before. The period from about 1870 to 1914 was one when all the advanced countries embraced free trade, and trade was said to be an 'engine of growth'. Millions of people left Europe and opened up the interiors of North America, Latin America and Australasia. Capital was free to go where it willed. And lots went abroad. The UK's foreign investments were reckoned to be £4,000 million by 1914. In that year Britain, the leading imperialist power of the time, was receiving a fantastic 9% of its national income from earnings on capital invested abroad - £200 million a year.

After the First World War the open economy seemed to implode. "The 1913-50 period saw a relapse into neo-mercantilism, with the blockades involved in two wars, the discriminatory policies, higher tariffs, quantitative restrictions, exchange controls and other autarchic measures that were sparked off by the Great Depression of 1929-32. As a result, trade grew at half the pace of output from 1913 to 1950." (Angus Maddison *Dynamic Forces in Capitalist Development: a long-run comparative view*, Oxford University Press, 1991)

Arguably the period since 1950 has only seen the slow and painful removal of the barriers to capitalist penetration that had been erected since 1913. Maddison, a formidable economic statistician, is quite clear that the 'Golden Age' of capitalist development was the period 1950-73, when much of the paraphernalia of state intervention was still in place. Certainly growth in the 'glorious era' of globalisation that followed has been less impressive. In a book, ironically entitled *Why Globalization Works*, Martin Wolf shows in his Table 8.1 that the economy grew twice as fast in the Golden Age as in the succeeding 'era of globalisation' (cited in Saul p. 20).

To be continued...

□ *The third and final part of this article can be read in the next issue of Socialist Appeal, but if you cannot wait that long the entire article can be found at www.marxist.com*

Marx and the Profit Cycle - Part Three

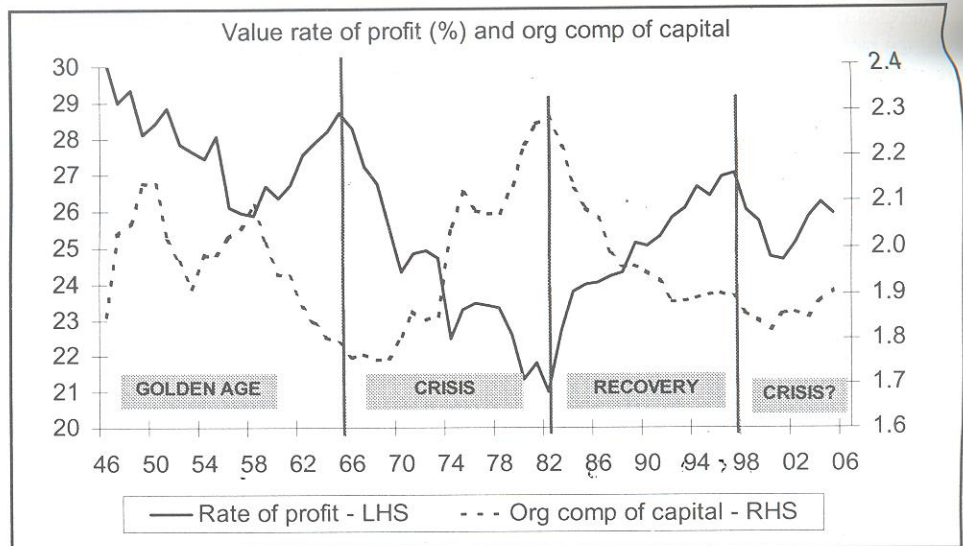
by Michael Roberts

IN THIS column I continue my discussion of the graphic that shows the movement of the average rate of profit in the US economy between 1946 and 2005. The graphic also shows the movement of the organic composition of capital over the same period.

As I have indicated before, the graphic shows several interesting things. First, the average rate of profit does fall under capitalism, as Marx predicted. 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 cycles with up and down waves of about 16-18 years. Fifth, if that is right, we are now in a downwave, where the average rate of profit has a tendency to 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.

I have dealt with items one, two and four in the previous two articles. In this chapter, I am going to consider item three, namely that it appears the rate of profit was high in the period 1948-66, the Golden Age, when capitalist economic growth was exceptionally fast, and inflation and unemployment were generally low. In that period, the value rate of profit averaged around 28%.

But subsequent to 1996, the rate of profit has generally been lower. Even in what I call the 'recovery period' between 1982 and 1997, the value rate of profit averaged about 24%, or about 12% lower than in the Golden Age (see the trend line for profitability in the graphic below). If I am right about the current profit downwave that began in 1997, then the average rate of profit through to 2015 or so is likely to be even lower and the trend fall over the 70 years since 1945 will be even more



than 12%.

So there seems to be a secular decline in the rate of profit around which the profit cycle revolves. The cause does not seem to be due to a secular rise in the organic composition of capital, at least over the last 60 years. At around 1.9, the organic composition of capital is lower than it was in the Golden Age. However, as we are now in a downwave for the rate of profit and thus an upwave of the organic composition of capital, I expect the ratio to finish higher (perhaps around 2.2) by 2015.

So what can be the cause of this secular decline? I think the answer may lie in the development of modern capitalism from a primarily industrial and manufacturing economy to one that increasingly is turning into one based on services, finance and property – what we can call a rentier economy or finance capitalism.

Capitalism Not Progressive

If that is right, it expresses the view that many Marxists have argued: namely that capitalism is no longer a progressive force that is developing the world's productive forces. Increasingly, in order to appropriate surplus-value, it is forced to divert profits from the 'productive' sectors of the capitalist economy into 'unproductive' sectors.

By productive, I mean those sectors of the economy that employ labour that

generates surplus-value, namely manufacturing, transport and communications. The unproductive sectors would be finance, real estate, marketing, advertising, government and public services like health and education.

These unproductive sectors are still very necessary to keep capitalism going, so that it can appropriate surplus-value. Simply put, businesses need banks to lend them money and capitalism needs healthy and skilled workers to generate surplus-value, and it needs an army and police force to serve the interests of the capitalist state. But all these sectors do not create surplus-value and indeed are a cost to the 'productive' sectors of the economy. These unproductive sectors (and the labour force that works in them) are necessary, but 'unproductive'.

Over the last century, these unproductive sectors have grown in size relative to the productive sectors. Capitalism has become imperialism and advanced capitalism has more and more parasitic (bankers and landlords) on the less advanced capitalist world, like China and India, which increasingly produces a bigger share of surplus-value around the world. Capitalism is getting older and more degenerate. It has passed its sell-by date.

If this is right, it should be reflected in a secular decline in the rate of profit, particularly in advanced capitalist economies like the US. Indeed, we can look for proof of this by measuring the

growth in the size of the unproductive sectors relative to the productive sectors of the economy.

In this calculation, I take the period from 1948 to 2005. Between those two dates, the rate of profit for the whole economy has declined by 12% or so. We can measure whether this secular decline is due to the surplus-value created by the productive sectors of the economy has been increasingly 'siphoned off' or redistributed through the circulation of capital into the unproductive sectors.

Using the data provided by the US agency, the Bureau of Economic Analysis, we can look at the wages or compensation paid to workers in the unproductive sectors compared to the productive sectors during the Golden Age of 1948-66 and compare it with the ratio in 1997-2005. We find that there has been a sharp rise. Whereas in 1948, 55% of employee compensation went to productive workers, by 2004 that ratio had fallen to 35%!

If you add back the amount of profit that the unproductive sector has 'siphoned off' from the productive sector in wages in 2005, it would raise the overall rate of profit from just under 26% to 28.5%. Indeed, the increase in unproductive labour can explain much of the secular decline in the rate of profit between 1948 and 2005. The rate of profit fell by just under 12% over that period. Around 75% of that fall can be attributed to the rise in unproductive labour.

This method of measuring the effect of unproductive labour is a bit of a simplification and other Marxist economists have subtracted all the value produced by the unproductive sectors, not just the wages of unproductive workers. But the resulting trends are not altered by my simplification, so my measure will suffice.

I conclude from the results that there are two factors that change the profitability of capitalism. The first is the movement of the organic composition of capital, as we have seen. This seems to act cyclically. A rise or fall in the organic composition drives down or up the rate of profit over a 15-16 year period. This causes periodic economic recessions when the rate of profit falls so low that it leads to a lowering of the mass of profit and/or stops capitalist accumulation.

The second is more secular than

even 15-16 years. Probably over the last century, unproductive labour has grown compared to productive labour. But since 1945 it has really accelerated. Capitalism has become more unproductive in its own terms. And this can be measured in the secular decline in the rate of profit.

However, there is a risk here of misinterpreting the development of capitalism with the actual cycle of boom or slump that it is passing through. Yes, capitalism is past its sell-by date, but it is still usable. It can still experience booms where economic growth and prosperity can rise for a generation.

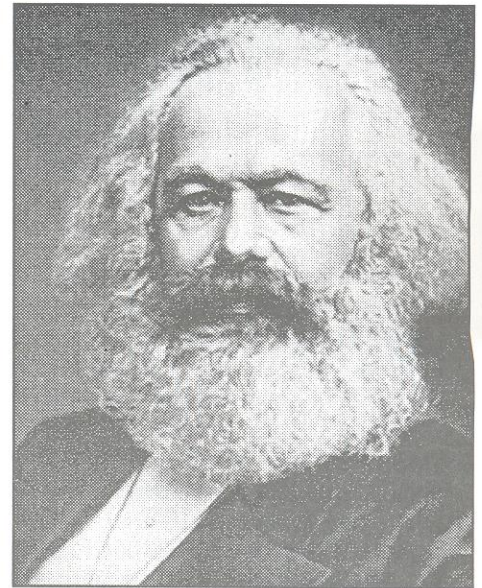
Some Marxists have latched onto the secular decline in the rate of profit over the last 60 years as a sign that capitalism is entering a period of permanent economic depression. They cite the different rate of economic growth seen before 1975 and then seen afterwards. From 1948-74, the average rate of real economic growth (after inflation) in the US economy was 3.85%. After 1975 to 2005, that rate was only 3.12%, about 20% slower.

Not A Permanent Depression

However, this estimate is misleading. If we look at economic growth in each of the four economic periods of upwave and downwave of profitability from our value rate of profit graphic, we find that real economic growth averaged 4% a year between 1948-65, then it fell back to 2.9% a year up to 1982 (a real bad period for US capitalism). Between 1982-00, real growth averaged 3.6%, nearly matching the 1948-74 period that so many economists concentrate on. In current wave from 2001, growth has slowed to just 2.6% a year and it will get slower still.

So it's incorrect to view the advanced capitalist economy as sliding into permanent depression. On the other hand, we are seemingly into a downwave of profitability that started in 1997. That is already being reflected in a lower economic growth rate than in the upwave of 1982-00. As this downwave is likely to last until 2015 (interspersed as we have seen already with upswings like 2002-05), capitalism is going to have a very rough time, at least as bad as 1966-82 and probably worse.

In the next piece, I shall again look at the cycle of profit and how it closely



connected to the cycle of the stock market – or more accurately how the stock cycle follows the profit cycle. □

No Drought In Profits

Which water company was given permission to raise its prices to cover the cost of any potential financial penalties incurred by not reaching its agreed service levels? Which water company has missed its regulatory targets from OFWAT for the last four years? Which water company has the highest leakage rate in Britain? Which water company overshoot its leakage rate target by 34million litres a day? The answer: Thames Water. And guess what? They are also the company which has upped its profits by a third to rake in £347 million, paying massive dividends to its owners. Here we see the real efficiency savings of privatisation - a more efficient means of ripping people off. In return we get a worse service which costs us more. Just like the railways, electricity, gas, etc. Is this what Blair means by reform? Public sector workers should also note that these industries have been marked by underinvestment, worse working conditions, staff cuts and poorer salaries - all very efficient, no doubt! Let's have some real reform by renationalising all the privatised utilities and stopping all future attempts at privatisation, creeping or otherwise. □

Bush and Co. Tighten Screws for Counter-Revolution

by Shane Jones in the USA - www.socialistappeal.org

ON MAY 6th, it was reported that CIA director Porter Goss was forced to resign. On the following Monday, Bush gave Air Force General Michael Hayden the formal nomination for the post of CIA boss. In the Senate, on Friday May 26th (Friday of course being the day of choice to push through controversial decisions), in a 78-to-15 vote, Gen. Hayden was confirmed to head up the CIA. The fact that Hayden was part of the largest domestic spying operations in history did not seem much of an issue, as the US Senate found it more important to "restore morale and confidence" in the CIA than to concern itself with such things as democratic freedoms and civil liberties.

General Hayden has been serving as deputy to John Negroponte, who was a key player in the State Department's murderous and reactionary role during the revolutionary wave of the 1970s and 1980s. From Vietnam to Nicaragua, acting under the direction of various US agencies, Negroponte was involved in everything from executing civilians to setting up secret detention and torture centres, something still being employed by the US in Guantanamo Bay.

The US capitalist state is being tuned up before being thrust into battle again - both at home and abroad. In response to the developing upswing of the class struggle, this war machine is being tooled to confront the working class, oppressed, and poor of the world.

A brief look at the history of the CIA and the role it has played historically

helps shed some light on what is actually going on. Since its birth, the CIA has been used to put down mass revolutionary movements: that is, the mobilization of the masses to change this system of exploitation. The CIA has carried out numerous coups against the majority of society. Starting with Greece in 1947 and throughout the 1950s, the CIA carried out several military coups. In 1957, the CIA began a series of coups in Laos that stretched until 1973, which was topped off by dropping more bombs than all the bombs dropped in WW2 on a mainly rural and peasant based nation.

In 1961, the CIA organized an armed attack on Cuba, in the notorious Bay of Pigs invasion. What sparked the attack on Cuba was the imperialists' fear of the Cuban Revolution spreading. Then in 1973, the CIA was behind the coup in Chile, in which democratically-elected President Allende was deposed and a reactionary, military dictatorship was set up, under which tens of thousands of trade unionists, socialists, and leftists of all shadings were put down in blood. The Chilean working class had not yet come to power; capitalism was reaching an impasse, but unlike in Cuba, hadn't yet broken the power of the capitalists. The CIA acted in Chile to stave off a revolutionary movement, to abort it before birth. This is the same factor that led to the 2002 attempted coup in Venezuela: the capitalists moving to stop the growing revolutionary movement of the workers.

This is just the tip of the iceberg of the CIA's anti-working class activities around the world. The CIA, since its inception, is believed to have been responsible for the murder of some 6 million people around the globe.

The CIA is one of the weapons the imperialists wield against the world working class. The

entire history of this organization is covered with the blood of workers and oppressed people. It is not a case of one or two "mistakes," but rather the explicit role of such an agency as the CIA: to defend the interests of US imperialism and save the capitalist system wherever it starts to break.

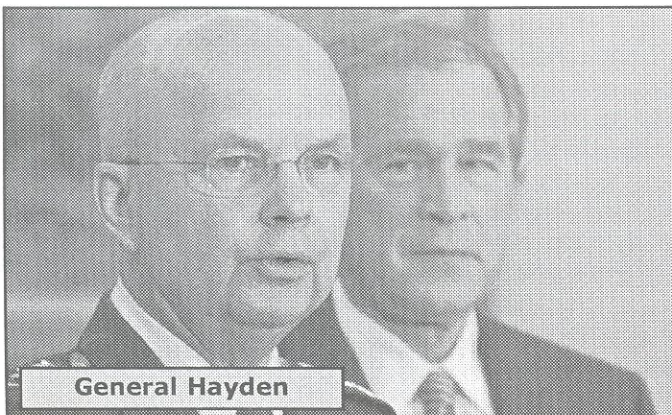
On May 12, USA Today reported that the secret NSA wire taps, or "information gathering" which Hayden directed, was not limited to "suspected" individuals, but rather were as broad-reaching as to potentially encompass every person in the US. AT&T, Verizon and BellSouth, the providers of the vast bulk of telecommunication services in the country, secretly allowed the NSA to collect information on more than 200 million customers. One hand certainly scratches the other when it comes to the relationship between big business and the government!

Massive Spying Campaign

Despite the "flare up" in Congress over this incredible information, it appears that members of both big business parties, the Democrats and Republicans, had prior knowledge of the massive spying campaign. According to deputy press secretary Dana Perino, "all appropriate members of Congress have been briefed on the intelligence efforts of the United States."

One must be aware that the NSA was formed during the Korean War, during the manufactured "red scare", which served as both a political tool to shift US politics even further to the right and to derail the trade union movement. At that time, the NSA and its very existence was denied. In 1978, it was revealed that the NSA was "intercepting, without warrants, international communications for more than 20 years at the behest of the CIA and other agencies."

In general, after the 9/11 terrorist attacks, the Federal government has taken measures to curtail civil liberties in a broad and sweeping manner. The clearest example is the PATRIOT Act, a



General Hayden

measure that got bi-partisan support and deepened the powers of the Federal government against individuals' civil rights. These new laws were also coupled with the setting up of the Department of Homeland Security, which, far from fighting terrorism, is clearly aimed at further attacking domestic political and social movements. Under the guise of preventing terrorism on US soil, there has been the transfer of billions of dollars of Federal money to state and local police departments to purchase new surveillance equipment, as well as to buy things like riot gear and so-called "non-lethal weapons". These things are primarily used in "crowd control", i.e. demonstrations and protests.

Already, one of the most oppressed layers of the US working class has been targeted. Days before the mass May 1st immigration rights rallies being held all over the country, some 1,200 undocumented workers from 26 different states were rounded up and detained. This was clearly aimed at frightening other immigrants from participating in the struggle for their rights and harkens back to the days of the Palmer Raids of 1918-21, during which immigrants were rounded up and made the political scapegoats for the capitalist system. It is no coincidence either that the Department of Immigration is now overseen by the Department of Homeland Security.

Terrorism and Imperialism

Although the US government has made unending statements about its commitment to "fighting terror", in reality the policies carried out in the last few decades show this to be far from the truth. Not only has it pursued a policy of state terrorism in relation to countries that refuse to bow to its demands, but it has encouraged and supported countless acts of individual terrorism as well. Dozens of terrorist attacks in the Western Hemisphere have actually been either directly carried out by US agencies or have received their support, both in terms of planning, training, and material aid. These attacks have been carried out over the course of decades, many of which have targeted the blockaded nation of Cuba.

Ever since the oppressed masses of Cuba kicked out the US corporations, US imperialism has attempted to throw them back into the shackles of capital-

ism. On March 17, 1960, Eisenhower established a covert action program against Cuba. Soon thereafter, the links between the CIA and pro-capitalist elements of the Cuban-American population were strengthened. Several key players responsible for the terrorist attacks on Cuba have direct connections with the CIA and other US governmental bodies. One noted CIA operative, Orlando Bosch, along with Luis Posada Carriles, hired two mercenaries on October 6, 1976 to plant explosives on a Cubana Airlines plane. This resulted in the deaths of all 73 passengers.

In 1990, Orlando Bosch received a presidential pardon from George H.W. Bush and was released from a US prison. He remains free in the US despite continuous extradition requests from the Cuban government, which seeks to put him on trial for his role in an attack that killed civilians, many of whom were minors. Luis Posada Carriles, who up until quite recently was living freely in the US, only found himself in "custody" after the government of Venezuela stepped up its requests for his extradition for trial. These requests have been refused on the spurious grounds that he fears being tortured if he was sent back to Venezuela for trial.

Another major figure in US-funded terrorism is Jorge Mas Canosa, who has received some \$200 million from the US Federal government in order to carry out actions aimed at overthrowing the Cuban government. In 1982, Canosa led the lobbying campaign for the bill that created the National Endowment for Democracy (NED). The NED is the same body that funds "opposition" political groups in Venezuela and around the world – all in the interests of "democracy". The true nature of the NED was explained by Alan Weinstein, one of its co-founders: "A lot of what we do today was done covertly 25 years ago by the CIA."

The swap of Goss for Hayden is not simply a matter of job qualifications, although with certainty Hayden's extensive career in the State Department certainly qualifies him to run the capitalist bulldog that is the CIA. Goss, in many ways, is acting as the fall guy for the Bush administration, a political tactic they are quite fond of. The so-called "intelligence failure" surrounding the 9/11 terrorist attacks and the lack of Weapons of Mass Destruction in Iraq can be blamed on him as he is given

the boot, at a time when Bush's approval ratings sink to new lows.

However, to view the change strictly as a face-saving move for GW is to miss the point, which is after all, the preparation of the various government agencies for a sharpening of the class war. Since the break up of the USSR, the CIA has been freed from the drudgery of "intelligence gathering" against a rival super-power. Hayden's military past and his role as a chief domestic spy give us a hint of how the CIA will be used during the next period: more sword, less shield!

The restructuring of the CIA is being sold in the papers as orientating towards "fighting a war on terrorism". This is hollow propaganda as the words "Bin Laden" have all but disappeared in Washington. Also, when reports surface that US Marines have butchered an entire neighborhood in Iraq, the whole notion of fighting terrorism falls flat to reveal the truth it hides: imperialism is thrashing for its life, putting the whole world into great peril. If we understand the role of the CIA as the protector of US imperialist interests at home and abroad, then the current changes in the administration of the agency clearly reflect this role. The change is really no change at all, simply a tune up of the weapon that is the CIA in the service of the capitalist mode of production.

Ruling Class Fears Democracy

The US ruling class, and its representative parties, the Democrats and Republicans, do not actually permit genuine democracy, rather, they fear it. The real decisions are made far from the ballot booth by those who truly call the shots: the capitalists, stockowners, boards of directors, CEOs, and bankers. When "the people" get out of hand, that is, struggling for lives worth living, then these masters call in their hired thugs. The badges and acronyms of whatever agency they are from may differ, however the task is the same: protect the masters and keep the slaves in their place. □

- Let the public know: declassify the files of the FBI, CIA, NSA!
- Abolish all un-elected and unaccountable government agencies!
- No to attacks on civil liberties!

What do the elections in Colombia and Peru mean?

by Anibal Montoya

THE RESULTS of the presidential elections in Peru and Colombia were celebrated by the Latin American bourgeoisie and United States and European imperialism as a victory against the "Chavista" expansion on the continent. With unreserved joy the main bourgeois newspapers in Latin America drew attention to the fact that Colombia and Peru had been transformed into a "cordon sanitaire" that would prevent the Venezuelan revolution having any impact beyond its own national borders.

Nevertheless, any serious analysis of these results will show that far from staving off the threat of revolution, they have simply brought forward the processes that are on the horizon. The bourgeois governments of Alan Garcia and Uribe start from a much weaker position than any previous bourgeois governments in their countries and with a stronger social and political left opposition than the case was a few months ago.

In Colombia it may be surprising to some that the reactionary swine and puppet of US imperialism, Alvaro Uribe, got 62% of the vote in the presidential elections on May 27th. But this is perhaps a little less surprising if we take into account the fact that the rate of abstention was almost 60% of the registered voters. What was really outstanding was the performance of the left coalition, the Polo Democratico (based on the old Communist Party) which came second with 22% of the vote, relegating the traditional Liberal party into third place with hardly 10%. What must also be noted is that the Polo Democratico (PD), which had already won the the mayoral elections in Bogotá three years ago, had been in practice absent from the national political scene for years, a scene that had been monopolised by the traditional Liberal and Conservative parties and the electoral front of Uribe. The Liberal and Conservative parties have practically disappeared from the Colombian political scene after being in existence for 158 years, something that is food for thought in the political situation. It is no accident therefore that many Colombian workers celebrated with

genuine enthusiasm the electoral performance of the PD.

It must also be borne in mind that Colombia has a semi-dictatorial government which in the last few years has become a military outpost of the USA with the excuse of waging war on drug traffickers. Therefore the possibility of electoral fraud in some areas is ever present. Moreover, the government is exploiting the presence of the FARC guerrillas to carry out a policy of terror and repression, and to justify removing democratic rights. In the annual report of Amnesty International, which was published in May, they listed 2,750 cases of political assassinations in the last few years at the hands of right-wing paramilitaries, and many of these deaths were trade union leaders or leaders of popular movements.

Revitalisation Of Workers' Movement

Despite all of this repression however, during the last three years there has been growing evidence that there is a revitalisation of workers' and popular struggles in Colombia. There have been some general strikes and massive mobilisations against the signing of the Free Trade Agreement of the Americas (FTAA) with the USA, and these activities have been organised and called by the trade unions.

In the last few years the leading role in the struggle for social justice has passed out of the hands of the peasant guerrilla campaign of the FARC and into the hands of the working class in the cities. This is a very positive development. The experience in Colombia has shown with sufficient clarity that the best way of standing up to capitalist governments and giving a lead to all the oppressed and exploited masses is with the method of the class struggle: strikes, mobilisations and popular uprisings.

The activities of the FARC are isolated and disconnected from the workers in the cities and the countryside and at times involve the erroneous methods of the armed struggle of individuals with counterproductive results for the guerrillas themselves and for popular move-



ments, and these actions are used by the Uribe government and reactionary forces to divide the working class and peasants and to justify the government's policy of state terrorism against working class and popular fighters.

The FARC could play a useful role if it were to act as an adjunct to the struggle in the cities, putting itself at the disposal of workers in struggle and peasant communities, helping them to form Workers' and Peasants' Self Defence Committees in the cities and the countryside in order to stand up to the hired assassins of the bosses and the landlords, committees that would be under the leadership of the working class and its organisations.

Colombia is entering a new phase of the class struggle. The effects of the FTAA on the Colombian economy in the coming years, together with the programme of privatisations already underway and cuts in social spending, will only worsen social problems and make popular protests more widespread.

The working class and poor peasantry of Colombia, on the basis of their own experiences and the effects of the revolutionary movements in Venezuela, Ecuador and soon in Peru knocking at the door of the frontiers of the country, will rise to their historic tasks in the struggle for socialism.

What happened in reality in Peru was a rejection of the capitalist policies of the Toledo government and a turn to the left in the political consciousness of the masses. The candidate in the first round with the most votes was Ollanta Humala with 31%. A large part of the masses associated him with radical reforms in favour of the working class and peasantry and with the govern-

ments of Chavez and Morales. It is important to point out that according to the polls that were carried out in September 2005, Humala's support was then a mere 7%. The candidate of the bourgeoisie and of imperialism, Lourdes Flores, suffered a humiliating defeat coming in third with 23% of the vote, when only a few months ago the polls were predicting an outright victory. Alan Garcia's APRA party came in second place with 24% because of the demagogic campaign he waged with inflammatory speeches against "the rich" and "the right", concentrating all his criticisms on Lourdes Flores.

Alan Garcia also benefitted from the campaign of lies and slanders which the mass media of the bourgeoisie launched against Humala, accusing him of militarist and dictatorial tendencies, of maintaining links with the regime of the ex-president Fujimoro, as well as having carried out acts of state terrorism in the 1990s, a period that is especially hated in the minds of the workers and peasants in Peru. Although a large part of the people who voted for Alan Garcia would have sympathised with Humala's promises of social justice and his speeches against "neo-liberalism", they chose to support a "left" Garcia when faced with the doubts and uncertainties that the candidacy of Humala produced, as during the election campaign he persisted in progressively moderating his speeches with the intention of "not frightening away" the middle layers and the bourgeoisie.

Oligarchy Panics

It was no accident that the Peruvian oligarchy as well as imperialism were in a state of panic when they saw the results of the first round. For this reason they used all the means within their reach to help Alan Garcia in the second round on June 4th, a candidate who did not deserve to be trusted given his widespread unpopularity among the masses after their experience of his pernicious government between 1985 and 1990. But for the oligarchy and imperialism there was no alternative.

Of course they weren't afraid of Humala who was moderating his speeches with the passing of each day in order to reassure the ruling class of the fact that he wasn't a dangerous adventurer. But the capitalists, landlords and imperialists knew that if

Humala were to win the presidential elections, the masses would see things in a different light and this could have unleashed an uncontrollable movement from below. The recent events in Bolivia with the measures undertaken by the Evo Morales' government of partially nationalising the hydrocarbons and beginning a limited land reform programme would have reinforced the fears of the ruling class in Peru.

Under these circumstances, if Humala wanted to win these elections, the only alternative he had was to radicalise his speeches, announcing socialist measures of expropriating the land, the banks, the privately owned companies and the natural resources, not paying the foreign debt, rejecting the FTAA, etc. If this had been done, it would have stirred up an enormous enthusiasm amongst the masses and thus would have ensured a successful election result in his favour. Instead of this however he outlined a defensive electoral campaign with ambiguous speeches against the "neo-liberal model", about the need for a new Political Constitution and a new Republic; about "revising" the privatisations that have taken place without questioning them, and about "building a Medium and Long Term Development Plan" and "restrengthening" the economy, and other banalities of this type.

Alan Garcia however, with all the media and economic resources of the bourgeoisie behind him, very intelligently went on the offensive with a campaign that exploited all the demagogic speeches from the first round of voting, saying that his government would be "centre left", appealing to national chauvinism against Hugo Chavez saying that he was meddling in the Peruvian election campaign, all this with the aim of mobilising in his favour the social base of the petty bourgeoisie and the most backward sections of the workers and peasants, with the classic bonapartist speech of "me or chaos".

Humala, however, instead of going on a counteroffensive by underlining the need to follow the road of the Venezuelan and Bolivian revolutions, which have without doubt awoken tremendous sympathy in the mass of working people, did all he could to distance himself from Chavez and Morales, displaying a vacillating and inconsistent image. Faced with the ambiguity of his programme and his speeches, the vacillating and doubting sections of the



Ollanta Humala

masses, who could have swung the balance in his favour, could not discern any appreciable difference in the programme of either candidate and therefore decided to vote for Garcia as he appeared to be the most "dependable" candidate.

Despite all of this however, Alan Garcia only managed to gain 53%, which was a long way from the overwhelming victory that the falsified opinion poll had been claiming for him; and Humala managed 47%.

It must also be pointed out that of the 24 departments that Peru is divided into, Humala won in 14 of them (the poorest ones in the interior of the country) and Alan Garcia only won in 10, among them the capital Lima and the main departments along the coast.

The government of Alan Garcia will be like a man sitting on the back of a tiger.

The elections of June 4th will resolve nothing. The working masses in Peru will learn in the school of struggle.

Revolutionary Tradition

Peruvian workers have a great revolutionary tradition of struggle. They will be called upon to play a leading role in the coming months and years. Armed with a revolutionary socialist programme they will be invincible. But the lessons of the last few years must be learned. The only alternative for the Peruvian workers and poor peasants is the building of class-based political tendency, armed with a revolutionary socialist programme which raises the issue of the expropriation of the large monopolies, the banks, large land holdings and the multinationals, without compensation and under the control of the workers and the poor people, in order to take Peru out of a state of backwardness and imperialist oppression. □

Israel-Palestine on the brink of war

by Yossi Schwartz in Israel

THE ISRAELI Defence Force has now amassed tanks and troops on its border with the Gaza Strip as the crisis over a kidnapped soldier deepens. For some time anyone who understands the mechanical logic of the Israeli government and its plans to reoccupy the Gaza Strip has known that the Israeli government has simply been looking for an excuse to move back in.

The excuse they had been waiting for turns out to be an attack carried out on Sunday 25th June by a commando group belonging to the Popular Resistance Committees (PRC) and Hamas's military wing. The attack took place near the Kerem Shalom kibbutz in the Negev desert near a border crossing not far from Rafah. The assault came in the form of an anti-tank missile that hit a tank. It was revenge for the Israeli assassination of the group's founder, Jamal Abu Samhadana, earlier in the month.

Hamas ended its 16-month-old cease-fire on June 9 after seven members of one Palestinian family were killed on a Gaza beach during a day of heavy Israeli shelling. Hamas has blamed Israel for those deaths, but the Israeli authorities – as could easily be predicted – has denied any responsibility. However even Haaretz, the liberal Israeli newspaper and the TV station 10 did not believe the Israeli army.

In the attack two Palestinian fighters and three Israeli soldiers died and one soldier, 19-year-old Gilad Shalit, was captured and is now being held in Palestinian territory. This raid in the early morning was the first attack carried out inside Israel from the Gaza Strip since Israel withdrew from the occupied territory last September.

After the attack, the Israeli Defence Force (IDF) mounted a search operation in the southern Gaza Strip near the scene of the incident to look for the missing soldier. Israel's military Chief-of-Staff said he believed the missing soldier was still alive. It is just the excuse the need to justify their incursion. Even before the attack the Israeli army had closed the Rafah border crossing, Gaza's only gateway to the world, for much of the past four days

citing security concerns.

Palestinian officials said the European observers who oversee the Rafah international border crossing had told them they would not be opening the border on Sunday because they could not get into Gaza from Kerem Shalom, the crossing used by the monitors to get from Israel to Gaza.

This piece of information would indicate that the Israeli army was aware of the planned attack. According to Haaretz the Shin Bet says it had warned the IDF of plans by gunmen to attack Gaza crossings (Haaretz, June 25). In other words it seems that the Israeli government cold-bloodedly decided to sacrifice some of its own soldiers in order to have an excuse to reoccupy the Gaza Strip.

The Prime Minister of Israel, Ehud Olmert has rejected demands by Palestinian groups to release jailed women and children in return for information on the abducted Israeli soldier. In fact, 95 women and 313 children and youth under the age of 18 are presently held in security prisons in Israel.

Sharp and Severe Israeli Operation

Senior Palestinian sources told Haaretz that according to intelligence information that had reached Egypt, the leaders of Hamas' military wing who are holding Shalit are considering smuggling him into the Egyptian part of Rafah through Palestinian tunnels in the area.

Instead of accepting the offer to negotiate, Olmert and Peretz, the Labour Minister of War, have blamed Hamas and the Palestinian Authority chaired by president Mahmoud Abbas, and threatened to begin a large scale attack in the Gaza Strip.

In northern Gaza, the population has begun blocking roads as the Israeli military awaits the order to attack. Olmert has said in a televised speech: "The question of releasing prisoners is not on the agenda of the Israeli government at all... The time is approaching for a comprehensive, sharp and severe Israeli operation. We will not

wait forever. We will not become a target of Hamas-terrorist blackmail."

The Palestinian President, Mahmoud Abbas and Prime Minister Haniya met to discuss the possible release of the soldier. Mahmoud Abbas warned Ismail Haniyeh that Israel would strike out at him if harm comes to the Israeli soldier kidnapped by militants, the London-based Al-Hayat newspaper reported today.

However, in the light of the demand to exchange Palestinians prisoners for the abducted soldier – popular among the families of the prisoners held by Israel – neither of these two Palestinian leaders can afford to be seen to be responsible for the release of Shalit without an exchange of prisoners.

Yesterday (26th), thousands of families of Palestinians jailed in Israel demonstrated in Gaza demanding such an exchange. "Kidnap one soldier and free 100 prisoners," chanted parents, friends and relatives of prisoners at the rally.

These families reflect the position of the head of Hamas' political bureau, residing in Syria, Khaled Meshal, who is unwilling to release Shalit without a price. Mediators involved in efforts to secure the soldier's release reported this to Haaretz last night.

A number of teams, including negotiators from Egypt and France, are attempting to mediate between the kidnapers and the Israeli government. Egypt and Saudi Arabia are pressing Hamas and the Islamic Jihad leadership to guarantee Shalit's release. But they have so far failed.

The conflict between the Hamas leadership in exile outside the Occupied Territories under the leadership of Meshal and the Hamas leadership of Haniyeh inside the Territories, is also reflected in a conflict between a faction within Hamas' military wing, Iz al-Din al-Qassam, and the force's central body, which continues to obey the directives of the political leadership inside the Territories.

According to Hamas supporters of Haniyeh, part of Iz al-Din al-Qassam have joined forces with the Popular Resistance Committees. These forces

were responsible for digging the tunnel through which Sunday's attack was carried out.

Judging by the reactions of Haniyeh, the whole operation was carried out without his knowledge and he does not know where Shalit is held. "They discount us and discount Haniyeh," a close associate of Abbas' conceded yesterday.

"Pax Americana"

This is not surprising at all, as the Hamas government is seeking to join the "Pax Americana" and because of this is losing popularity, as it seems to many Palestinians to be another sell-out similar to the ones they have been accustomed to by the previous corrupt government of the Abu Mazen group.

For 18 months Hamas kept the ceasefire in the Territories, while the Israeli army kept pounding Gaza with tanks and from the air and the sea. The refusal on the part of the Israeli government to recognize the Hamas government elected last January has turned out to be very useful in bolstering the position of Meshal and the other leaders in exile.

"You must understand that in general, the political leadership is not in the know when it comes to every operation carried out by the members of the military wing - in the same way that Yasser Arafat didn't know exactly what every one of his military organizations was doing," a Hamas source has explained. Ironically, it would seem that a similar process is taking place in Israel where the civilian government is not entirely in control of the army.

Ro'i Amitai, the tank driver who is the sole surviving member of the tank team hit in Sunday's attack at Kerem Shalom, said his unit had received an intelligence warning just a day earlier indicating that Palestinians were digging a tunnel in order to carry out an attack. This testimony confirms an earlier statement made by the Shin Bet that warned the generals - a specific warning - that Palestinian militants were intending to kidnap Israel Defence Force soldiers on the Israel-Gaza border through the use of a tunnel. This was also confirmed by Minister of War Amir Peretz, who said at a cabinet meeting on Sunday that he had been aware of warnings of militant infiltrations.

The Shin Bet security service told

Haaretz that the Ministry of Defence had in its possession far more details than IDF officers had admitted in a press conference on Sunday. The sources said the entire defence establishment had received a

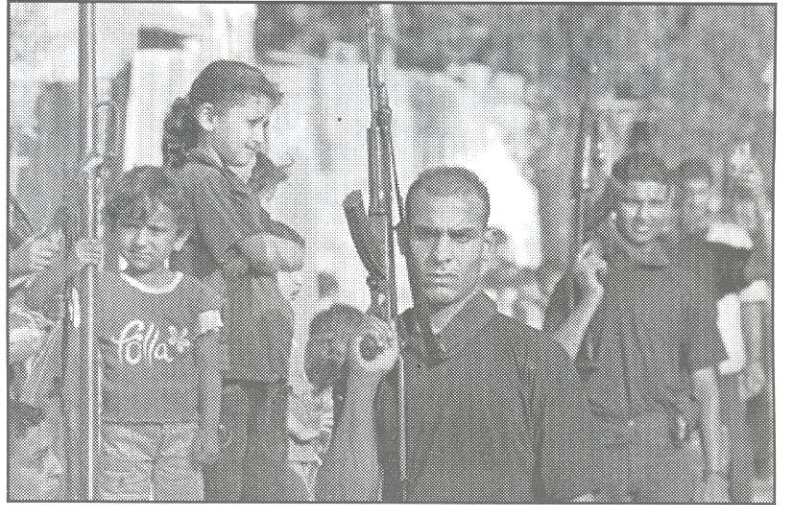
specific warning, both written and verbal, that militants intended to use a tunnel to abduct soldiers on the crossings situated on the southern part of the Israel-Gaza border. They added that they could not explain why the army minimized the severity of the warning.

The Shin Bet sources also said that the gravity of the warning was the reason that a special IDF force entered the Gaza Strip on Saturday morning and arrested two Hamas militants east of Rafah.

It would seem that the generals, many of them in opposition to Olmert's plans, wanted to derail the government's scheme of evacuating parts of the Occupied Territories. In the last few years many right-wingers have entered the army and are now in high command positions. Olmert's plan is not very popular with these elements. In addition to their political sympathies it would involve some serious cuts in the army budget.

Thus the so-called "centre-left" coalition has done everything it could to dig the ground under its own feet. It has strengthened the more radical wing of Hamas on the one hand and the tendency towards greater involvement of the military in Israel's political affairs on the other.

The Israeli "withdrawal" from Gaza was hailed by many as a step towards "peace". We have always explained that this was not the case at all. While withdrawing from Gaza, Israel was tightening its grip on the West Bank territories and continuing to build its fence. And while withdrawing from Gaza, Israel maintained a heavy military presence all around the strip, ready to go back in at any time.



From the very beginning, we the Marxists in the Labour Party in Israel have said that the worst mistake Peretz could make was to enter a coalition government with the Israeli capitalist party "Kadima" as it would serve only the interests of the most reactionary wing of the ruling class.

Today the only opposition to this government is coming from the right, who can only win thanks to the senility of the existing right-wing leadership of the Labour Party. The interests of the members of the Labour Party are to bring down this government and fight for a workers' government with Hadash and the Balad Party on a socialist programme.

Socialist Federation

The whole situation reflects one thing. The capitalist system of Israel is in crisis. The ruling class does not have any solution and the ordinary people, including the rank and file soldiers, are paying a heavy price that is destined to get even heavier.

The only way out from this death trap that both the Palestinian and the Israeli workers and poor are facing is the transformation of this rotten system. Only a successful struggle for a socialist system throughout the whole region can avoid a general conflagration in which all workers would suffer. Only the working class can avoid this nightmare by taking power and creating a workers' state where the two nations would each have territorial autonomy within the socialist federation of the Middle East. □

27th June



**Iranian Workers'
Solidarity Network
BM IWSN, London
WC1N 3XX, England.**

Tehran police break up 5000-strong demonstration against women's oppression

by the Iranian Revolutionary Socialist League



WHILE THE attention of the world is transfixed on the Iranian regime's nuclear transgressions the repressive apparatus of the bourgeois state continues its crackdown on any dissent by workers, students and national minorities. Now a further oppressed group, women, who are the most downtrodden section of Iranian society, have managed to organise a protest of nearly 5000 of their supporters in Haft-e Tir Square in Tehran.

Not since the counter-revolutionary wave of repression in the summer of 1981, and the subsequent consolidation of the Islamic regime's power, have women, who played a crucial role in the revolution, held such a large demonstration. This unprecedented event was the result of weeks of organising by a number of women activists. Using the internet and other means they had announced that they would be holding a demonstration in Haft-e Tir Square to protest against the legalised discrimination and harassment of women in Iran. The way the demon-

stration was publicised on websites is bound to set an example for future protests of all exploited and oppressed layer in Iran.

At 4:30 on the afternoon of Monday 12 June, nearly 5000 women and their supporters, which included many human rights and students' activists, gathered in the square. The response of the security forces shows how seriously the regime took this protest: four mini-buses full of officers from the police and other repressive bodies of the state were present. They included female police officers who attacked the women using their batons and tear gas. In addition to beating the women, women's activists and their supporters, the security forces used pepper spray and tear gas to disperse the crowd and to stop any onlookers joining the demonstration.

The women's placards had slogans like "The right to divorce, the right to give evidence, the right to judge, and all the other violated rights". This type of slogan highlights the fundamental discrimination against women under the medieval legal system of the Islamic Republic of Iran.

According to Advar News, the news agency of Islamic Iran Students' Organisation (the Office for Consolidating Unity's (OCU) Fringe), 60 demonstrators were arrested. Most of them are not women but journalists, writers and student activists and so on. The list of the detainees includes: Mr Mousavi Khoini (General Secretary of the Students' Organisation of Iran), Ms Samira Sadri (member of the Policy Council of the OCU), Ms Bahareh Hedayat (Secretary of the Women's Commission of the OCU), Ms Jilah Bani-Yaghoob (journalist and women's activists),

Mr Bahman Ahmadi-Amooi (author), Ms Atefeh Yousefi (Secretary of the Islamic Society of Sharif University), Mr Ali Roozbahani (Sharif University student activist), Mr Siamak Taheri (journalist), Ms Leila Mohseni (Polytechnic University student activist), Mr Vahid Mir-Jalili (Sharif University student activist), Ms Massoomeh Loghmani (Alzahra University student activist), Mr Amin Ghaleii (Esfahan University student activist), Mr Delaram Aramfar, Mr Delaram Ali (Tehran University student activist).

Their whereabouts have still not been disclosed. Earlier that morning Ms Shahla Entesari, a women's activist who had received many threatening phone calls from the security forces, was also arrested.

Members of Islamic Iran Students' Organisation (the Office for Consolidating Unity's (OCU) Fringe), the Central Committee and General Committee of OCU, activists of women's movement and human rights organisations, members of the Vahed Bus Company trade union and other groups all united to take part in this demonstration against the legalised discrimination and harassment of women in Iran. This type of unity in action across women's, students' and workers' organisations is the key to defeating this crumbling and brutal regime. □

More pictures can be found here:

<http://www.pishtaaz.com/kargar/english.htm>



The Wind That Shakes The Barley...

by Terry McPartlan

KEN LOACH doesn't make that many films, but when he does you can always be sure that you will get a hard hitting couple of hours and that you will walk away having learned something.

His latest film- *The Wind That Shakes The Barley* - charts the political development of a group of men and women from a village near Cork against the background of the election of the first Dail and the subsequent Irish Civil War and the formation of the Irish Free State in 1922.

Set in rural Ireland the film illustrates clearly the role of the Landowners as collaborators with the British, the savage oppression of the Black and Tan mercenaries, brutalised by the First World War and also the development of the different political tendencies within Irish Republicanism, which can still be seen today.

The issues of civil war, repression of the Irish language, of divisions in families, collaboration and of the unreliability of conscripted troops are dealt with clearly, but also sensitively. The position of the Catholic Church as a prop of reaction is very well explained.

As in *Land and Freedom*, Loach illustrates the differing political positions through the individual characters in the film. This works very well, particularly in explaining the specific role played by the working class, as reflected in the character of Dan the Train driver, who was a participant in the 1913 Dublin lockout, the Citizen's Army during the Easter rising and who is badly beaten for refusing to transport British troops and weapons.

The film concentrates on the rural guerrilla war, and in so doing succeeds in capturing the feel both of the landscape, the way of life of the rural people and of the methods of guerrilla warfare.

The signing of the 1921 peace treaty and the subsequent split



between the free staters and the republicans is explained through news reel footage and through a dramatised political debate, which brings out the different arguments which raged at the time. From a Marxist perspective, this debate throws into sharp relief the contradictions, both in terms of class and politics within the movement as well as the eventual split between the Sinn Fein leaders and the majority of the ranks of the Republican movement many of whom were influenced by the ideas of that great Marxist James Connolly and the Russian revolution.

The movement for the national liberation of Ireland is raised by the Free State supporters as a major threat to the British Empire, and therefore doomed to defeat at the hands of the British army.

Socialists in Republican Movement

The arguments of the Socialists within the Republican movement are explained clearly in class terms, for nationalisation of the land and industry and for equality for all. Also, that there can be no freedom of the Irish masses and no end to the poverty on the basis of capitalism, which is as true today as it was in the 1920s. As Connolly had written as far back as 1897 in *Socialism or Nationalism*:

"If you remove the English army tomorrow and hoist the green flag over Dublin Castle, unless you set about the

organisation of the Socialist Republic your efforts would be in vain.

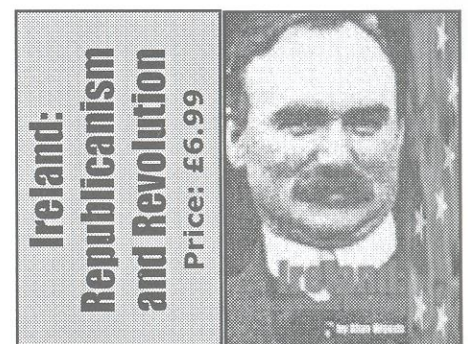
England would still rule you. She would rule you through her capitalists, through her landlords, through her financiers, through the whole array of commercial and individualist institutions she has planted in this country and watered with the tears of our mothers and the blood of our martyrs.

England would still rule you to your ruin, even while your lips offered hypocritical

homage at the shrine of that Freedom whose cause you had betrayed."

The eventual defeat of the revolutionary movement and the consequent stabilisation of the Free State is depicted in very graphic and harrowing terms. Here was a tragically missed opportunity, that led to the blind alley of partition under the knife of British imperialism and the sectarian monster in the North. As Connolly had predicted "a carnival of reaction" ensued.

All in all, this is a well crafted and well thought out film. It has been thoroughly researched and really gets under the surface of the processes and the events that helped shape the current situation on the island of Ireland. But if you want to find out more, go and see it soon, because it's not going to get a lot of exposure at your local multiplex, or even Blockbusters, Palme d'or or no Palme d'or. □



Republican Socialists stress central role of the working class

With the kind permission of the Irish Republican Socialist Party we are republishing below an article from a recent issue of their newsletter The Plough which appeals for a turn towards the working class and its organisations in order to advance the struggle for national liberation and socialism.

Much has happened since the last edition of The Plough: a young Catholic beaten to death in Ballymena, a unionist leader who finally admits that political unionism nurtured loyalist paramilitaries, DUP politicians who gloss over or deny sectarianism, the raging debate over the Richard O'Rawe allegations about the 1981 hunger strike, workers sacked for holding a union meeting, and of course the farcical goings on in Stormont. Meanwhile in the South of Ireland the ongoing rush towards privatisation continues under the banner of outsourcing and the last remaining vestiges of Irish neutrality are whittled away by defence minister Willie O'Dea. On the international stage the ongoing occupation of Iraq has intensified sectarian divisions and is increasingly unpopular in both the USA and Britain. The attempt by the USA to make political capital out of the tragic suicides of three prisoners of war in Guantanamo shows the utter callowness of the USA administration.

The forces of the revolutionary left in Ireland are weak and small. There is not much that we can do about the so-called big issues other than encourage people to turn out on demos and pickets. But as the recent public meeting in Dublin on republicanism showed there is a desire for a realignment of revolutionary forces out there.

The IRSP has always worked towards a broad front with other forces. But a major difference we have with the pan-nationalist front that Sinn Fein, the Irish government, and the SDLP built is that we advocate in any alliance, the leading role of the working class. That is central to our approach, our policies, and our philosophy.

The failure of the armed struggle waged to achieve a united Ireland has to be looked at objectively, analysed, and lessons learned from that struggle. The failure to put the needs of the working class to the front of that struggle is we

believe the fundamental reason that the struggle failed. Why should the vast majority of working people put their faith, trust, and belief in republicans if those same republicans only deliver slightly sexier policies than the previous generation of politicians?

Be assured that what Sinn Fein is now advocating is in essence no different from what both unionists and nationalists advocated in the past. The end result of their policies has been to carve up the North of Ireland into various sectarian homelands where unscrupulous property developers, smarmy business people, and profiteers make hay while the sun shines. The Northern Ireland Office (NIO), the arm of the British ruling class in Ireland, assiduously prepares the ground for the further erosion of public assets and their sale to private interests. In the meantime many of the former foot soldiers who fought the war are discarded onto the scrap heap and kill the pain of defeat by dependency on one drug or another.

Turn Towards The Working Class

But simply because the armed struggle did not achieve its objectives does not mean that one simply gives up and retires to private life as many former ex-combatants have done. Rather we must turn to the working class to form the bedrock of the struggle. The forging of an alliance between republicanism and the labour movement would create a mighty weapon for struggle. We urge all republicans to turn towards the working class movements, get active in the unions, and raise issues that while relevant to the immediate interests of working people also form a bridge towards more radical and revolutionary demands. □

Stop Press: Mexican government attacks miners - and steel workers on strike!

THE MEXICAN government of Vicente Fox has been mercilessly attacking Mexican miners on struggle for better terms and conditions. In the minds of all is the tragic accident that occurred in February this year where 65 miners were killed in an explosion in the Pasta de Conchos mine. The bodies have still not been recovered. Such "accidents" are not uncommon in Mexican mines. Before the current struggle the Mexican miners were one of the most militant layers of the Mexican working class. Since Fox came to power there have been 184 stoppages and strikes in the mines. This is precisely why Vicente Fox has so brutally attacked the miners.

The miners have answered with more militant action culminating in a one-day strike of all miners on March 1. There have been other strikes in the mines of Cananea and

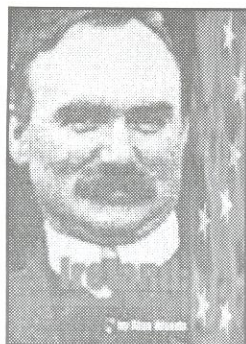
La Claridad, which generate half the copper in Mexico. There is also a strike over terms and conditions at Sicartsa, a large steel company which represents 1/3 of the total national steel market.

The Mexican Marxist Tendency has launched an international solidarity campaign to support the families of the miners killed on the picket lines as well as those still on strike. We all know what the Miners' Strike meant for the British labour movement. It is essential that all trade union activists send solidarity messages to:

solidaridadobrerainternacional@gmail.com

For more information about the current situation and to see the full statement and solidarity messages, please check **www.marxist.com**

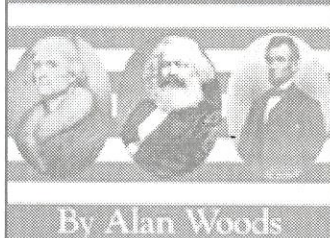
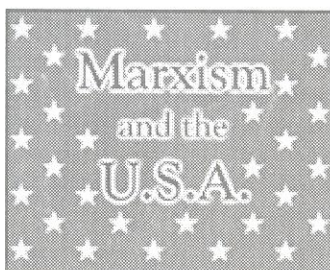
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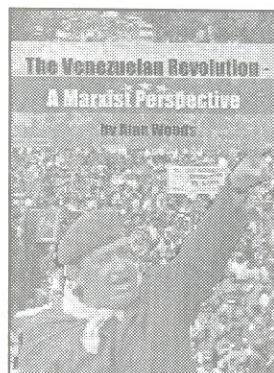
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nesses and strengths, its contradictions and unique characteristics. The book was not written with hindsight. Every chapter, beginning with the coup of April 2002, was written as the events themselves were unfolding, and trace the winding course of 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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Socialism The Goal

One of the more amusing stories to come out of this year's World Cup finals has been the decision by stewards at a match to order thousands of Holland supporters to remove their orange coloured lederhosen on the grounds that the offending items had the name of the Dutch brewery firm, Bavaria, printed on them. FIFA felt that this would offend one of the official sponsors Budweiser (who are actually hated in Germany by most beer drinkers) and therefore forced supporters to watch the game in their underwear - the only exemption going to those fans who were not actually wearing anything under the lederhosen in question. Although the TV camera operators like to scan the crowds during games, looking for young scantily dressed girls waving madly at nothing in particular, FIFA presumably felt that the sight of Dutch fans waving rather more than their flags would be a step too far, sponsors or no sponsors.

Joking aside, this story does rather show how football's ruling elite sees the fans who pay through the nose to attend these games. They have been reduced to extras in sponsors' commercials. But then is this not how capitalism sees workers in general anyway? - as machine parts to be used, switched on or off and discarded when not needed. The official term is economic units. The struggle for socialism is not just about a change in economic control and the replacement of a system which exploits billions of people. It is also about defeating the dehumanisation and alienation which marks capitalism and the world it has created.

At present the forces of socialism are weak, but the ideas we defend are powerful. To build these ideas we need your support. What we want is for you to sponsor us. Our fighting fund - so named because it is a fund to fight for Marxism - relies entirely on the support of ordinary people. So why not consider making a donation now. After the frenzy of the last few months things have been a bit quiet so far in June. A number of donations have come in, including £60 from Mark in Wales, £10 (Bryan Beckingham), £15 (Alison in London), £25 from PCS readers, £5 (Jonas) and a number of other donations including a number of 'extras' earned by getting the £2 solidarity price for the journal. Thanks to you all.

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 K2018479SOÇ.
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Steve Jones


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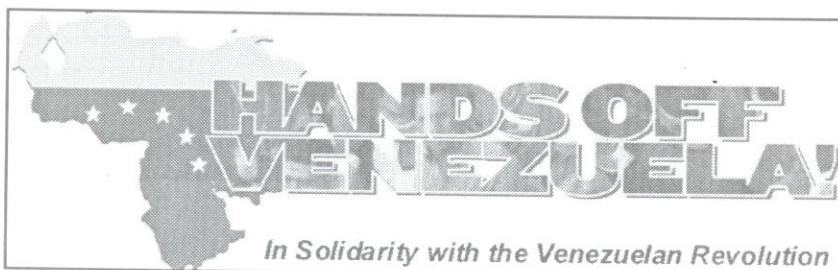
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LRC to challenge for Labour's Future

The LRC conference is an opportunity for the movement to launch a serious challenge for Labour's future to transform the party, its policies, and its leadership.
Activists vote at LRC conference 2005

The conference takes place on Saturday 22nd July 2006 from 10am-4:30pm at TUC Congress House, Great Russell Street, London



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noticeboard

July/August 2006

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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

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Socialist Appeal

Marxist voice of the labour movement

Durham Miners Gala: The Big Meeting New Chapter Of Militancy Opening

By Caron Walker

The 122nd Durham Miners' Gala takes place on Saturday 8 July 2006. The Gala was first held in 1871 only two years after the Durham Miners Association was formed. An annual event since then, only world wars and major strikes have prevented it from taking place. Over the years it developed into the largest unofficial miners and trade union gathering in Britain. No matter the weather, pit banners from Durham and beyond parade to the racecourse, many accompanied by brass and pipe bands.

Last year we celebrated 20 years since the end of the miners' strike and this year marks the 80th anniversary of the 1926 General Strike. The General Strike was called by the TUC in solidarity with the miners who were facing cuts in wages and longer hours. At that time there were 5½ million trade unionists and 4 million were called out on strike; over one million of these worked in the mines. During the First World War the mines had been under government control, which had guaranteed the miners a minimum level of pay and maximum number of hours. When the mines were handed back in 1921 the mine-owners immediately wanted a return to the old conditions - pay cuts and longer hours. The Tory Prime Minister of the day, Stanley Baldwin made it clear, "all the workers of this country have got to take cuts". British capitalism was in crisis and the workers had to pay.

For much of the 20th century coal mining remained the major industry in Durham and the north east. In 1913 in Durham 40 million tons of coal were being produced, with a workforce of more than 164,000. By the time the pits were nationalised in 1947 the Durham coalfield had 127 working pits and new investment led



to a number of super-pits. However, from 1960 onwards, pit after pit was closed and by 1974 there were only 30 pits employing 44,000 men. On the eve of the 1984 miners' strike this was reduced to 19,000. Finally, in 1993, Wearmouth colliery, the last deep mine in the county, was closed so abandoning 113 million tons of reserves at this colliery alone.

The Gala has always been known as 'The Big Meeting' by miners and their families. It is the event where opinions are voiced, comradeship demonstrated and solidarity expressed. The miners struggle for justice and rights to fair pay and safe working conditions are at its root. This has echoes with today's workers who are beginning to fight these battles again against the Labour government they elected. Workers have been tolerant but their immense patience will not last forever. There will be a new chapter of militancy and politicisation and this will undoubtedly be reflected in future Durham Miners Galas. □

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