

Socialist Appeal

November 2006 issue 147

Price: £1 - Solidarity Price £2



Venezuelan Elections: Defend The Revolution!

Forward To Socialism!

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The Deadline for Issue 148 is November 17th

Imperialism is Rebuilding Iraq as a Graveyard

Once the lies about 'weapons of mass destruction' were exposed for all to see Blair and co resorted to arguing the need for 'regime change' as their justification for invading Iraq. "At least we got rid of Saddam," Blair intoned. Saddam Hussein's dictatorship was certainly monstrous, but in what way is the so-called democracy being imposed at the end of British and American bayonets an improvement for the Iraqi people? Whilst governments and the media quibble over estimates one thing is now clear - more people are dying as a result of the occupation than even in the dark days of Saddam's reign. The staggering estimate of The Human Cost of the War in Iraq reported in The Lancet that 655,000 Iraqis (about one in forty of Iraq's civilian population) have died as a result of the occupation reveals the true result of Bush and Blair's regime change - the wholesale slaughter of men, women and children; the destruction of the country's infrastructure; and descent into sectarian civil war.

601,000 deaths are attributed by the report to violence. Meanwhile, an additional 54,000 deaths are inextricably linked to the devastation of the country's infrastructure and the collapse of healthcare. Electricity supply in oil-rich Iraq is down to just four hours a day.

From the standpoint of Bush and co, with US congressional elections imminent, the mounting unpopularity of the war back home is a disaster. Similarly the war in Iraq, and the lies and intrigues surrounding it, has been the undoing of Blair.

The war is a disaster, too, from the standpoint of the troops. So far 2780 American soldiers and 119 British troops have died. The war has had a devastating effect on their morale. Brown (who has supported the war all along, remember) is now offering tax breaks to British soldiers serving in Iraq. As if a few extra pennies can make up for the deaths, casualties and psychological impact the war has had on them.

Above all, of course, the war has been an unmitigated disaster for the people of Iraq. 655,000 deaths, over a million left homeless, and the largest number seeking asylum from any single country - what a catastrophe

Bush's imperialist adventure has been for Iraq's people!

According to the UN 2000 people a day are crossing the border fleeing into Syria. Bush and Blair's imperialist adventure in Iraq has destabilized the entire region, and indeed the entire world. The "war on terror" is a useful cover behind which to conduct a war on the working class and basic democratic rights, but the imperialists' actions do nothing to combat terrorism, on the contrary, they breed it.

In truth, Bush and co are not concerned by the death toll. They dispute the numbers, claiming only 50,000 civilian dead. To the imperialists the Iraqis do not count as human beings when they are alive (as amply demonstrated by the torture at Abu Ghraib and the massacre of Fallujah), they certainly do not bother to count them when they are dead.

Nor are they concerned with the deaths of US troops, whom they previously pledged would stay at their posts, come what may, until victory. They are concerned, however, with looming electoral defeat as a result.

Desperately Seeking An Exit

The American ruling class, meanwhile, is not so concerned with the electoral fortunes of the Republican Party, but they are concerned at the spiraling cost of the occupation and above all the destabilization of the Middle East, and the rest of the world. From their point of view wars are fought for raw materials, markets, and spheres of influence. None of these have been secured, although the arms manufacturers, the construction companies, and the finance houses busily privatizing Iraq have certainly made a killing.

The disaster in Iraq has forced Bush and co to desperately seek an 'exit strategy'. James Baker (a family friend of Bush who served in the Reagan administration) has come up with a plan to withdraw possibly handing over the policing of the region to Syria and Iran! The diplomats talk about "devolving power" to Sunni, Shi'ite, and Kurdish regions. Masked by the word federalism what this really means is partition and ethnic cleansing. This is their so-called 'three state solution'

Other neo-conservatives would like to see a new Saddam (so long as he

was 'friendly' to the needs of US imperialism, of course.) Elliot Cohen writing in the Wall Street Journal argues that because all the 'Plan Bs' are flawed he would "quietly" endorse a coup by a junta of military modernizers!

Most of these plans involve some sort of partition or break up of Iraq under the domination of various warlords. What a triumph for 'democracy'! All their claims of 'liberating Iraq' are exposed as rank hypocrisy.

With an astonishing lack of irony British Foreign Secretary Margaret Beckett comments on the possibility of the break-up of Iraq: "That is very much a matter for the Iraqis. They have had enough of people from outside handing down arbitrary boundaries and arbitrary decisions."

Astonishingly even the head of the British army, Sir Richard Dannatt, insists that it is time for British troops to leave (although admittedly this is not some Road-to-Damascus conversion for Dannatt, who believes those forces should be deployed in Afghanistan where there is a better chance of 'winning').

At the same time the exit strategy proposed by some on the left to replace British and US troops with a UN peacekeeping force is no solution either. To simply change the colour of the helmets of the occupying forces will do nothing to halt the descent into a sectarian quagmire and the break-up of the country into warring fiefdoms.

Iraq was once a cradle of civilization. Over generations it has been transformed into a cemetery by the interference, intrigues, and invasions of imperialism.

There is only one 'exit strategy' required. All imperialist troops should get out of Iraq now! No solution can be imposed on Iraq by US, British, UN, or other coalition forces. The future of Iraq must be decided by the Iraqi people.

The troops must be withdrawn, but that is far from the end of the matter. The only way to bring an abrupt end to this tragedy and prevent its repetition is to build the international struggle for the socialist transformation of society.

**End the brutal occupation of Iraq and Afghanistan!
Withdraw all imperialist troops now!**

DHL Puts Jobs in Jeopardy

By Our Industrial Correspondent

DHL are gloating about winning the contract to distribute food, bed linen cleaning products etc to the NHS. The contract is to run for 10 years and run under the name NHS Supply Chain. The deal is worth £1.6 billion not far short of 10% of the whole NHS budget which stands at £22 billion. This arrangement will affect 600 hospitals. DHL claim, "The business will ensure that public health (NHS) authorities can dedicate more resources to patient care and continue to manage their cost base". Of course this deal has nothing to do with the massive profit they will be making.

Dave Prentis of Unison has said that "NHS Logistics is a not for profit, award winning service and staff are proud to be part of the NHS. They should not be parcelled off to DHL, where their jobs and livelihoods will be put in jeopardy."

It is clear where DHL will be making their profit and that is from their own employees. Chronic low pay means many employees claim family tax credits. The company recently converted its pension scheme to a salary sacrifice. Stripping the exchequer of national insurance contributions worth millions and giving the money to shareholders.

Earlier this year management offer-

ered a three year pay deal of 1.9% in year one, 2.5% in years two and three. As part of the pay deal DHL are looking to sack three thousand employees and replace them with 2,500 casuals. In a consultative ballot 5,000 GMB members in 140 depots, rejected the pay offer by 89% and were prepared to take strike action.

Not only is a decent pay rise needed but the GMB are demanding an increase in the overtime rate, sick pay, and better pensions. Hygiene and Health and Safety issues are of concern to members, with the lack of basic hygiene and welfare facilities at some depots. Mick Rix, GMB Executive officer, has said, "DHL are proposing a rapid return to Victorian mill owner values, where our members will be thrown to the wolves of the dole queue, whilst casual non contracted workers will be brought in to do the jobs of our members. GMB will not tolerate our members being treated in this abhorrent and Victorian fashion in this day and age. The internet companies are trying to get the final stage of delivery done on the cheap. GMB wants the proposals withdrawn".

Any strike action is likely to be scheduled in the run up to the Christmas shopping rush. □

Fight privatisation of North Tyneside council services

By Caron Walker

A North East council, run by a Labour elected mayor and his cabinet, has been branded by the trade unions as Thatcherite amid concern that key services are to be contracted out.

North Tyneside Council has launched a "Transformation Programme" which could result in:

- Cuts of £34-40 million with the loss of up to 1,000 jobs.
- Increased charges for services.
- Inviting private companies to bid for key council services including repairs and maintenance of council houses, bin collection and street cleaning.
- Privatising all schools by the establishment of trust schools and a local education Trust.
- Privatising swimming pools and leisure centres by giving them off to a trust.
- Privatising home care.

However, the Labour mayor insisted that there will be no cuts in services: "The Transformation Programme is about working closely with local communities to deliver high-quality public services. The council has identified £46 million of efficiencies, over the next four years, that will be invested in frontline services".

The trade unions are not convinced. A campaign has been launched by all the council trade unions, involving community and voluntary organisations and service users to fight the cuts. They have organised a number of meetings across North Tyneside and are mobilising a defence of public services. As a Unison representative said on the local TV news: "I'm shocked. It is the most radical proposal for change we have seen in the northern region. It even goes further than some of the Tory so-called flagship authorities like Westminster."

We should not be surprised. The great leech of public services, KPMG, were responsible for assisting North Tyneside Council to develop 'an exciting programme to transform the way its services are provided'! □

NHS Together Lobby of Parliament

At this year's TUC conference, "NHS Together" was established to fight against the attacks on the health service, including budget cuts and the increasing promotion of the private sector in providing healthcare.

NHS Together includes all the health unions and non-TUC affiliated organisations such as the BMA, RCN and RCM together with the TUC.

The first major national mobilisation is a lobby of parliament on 1st November. The campaign's material states that "The lobby will give frontline health workers the opportunity to press their concerns to MPs of all parties. The objective is not simply to get a good turn out, but ensure that we cover as many MPs as possible and involve the whole range of NHS staff." This is an important initiative, but the TUC must go further and build on this lobby to call a national demonstration in defence of the NHS. □



Send your workplace and trade union reports to contact@socialist.net

Wherever possible we will publish them on our website www.socialist.net as well as in the pages of your monthly Socialist Appeal.

The Single Status Agreement Jobs, Pay and Conditions in Danger

By a Falkirk UNISON member

UNISON members employed by Falkirk Council demonstrated outside the Council HQ on Wednesday 4th October in protest at their employers' imposing a new contract of employment by sacking all the workers and offering them their jobs back but on new, poorer conditions and (often) pay. In an unprecedented move the Council has carried out their threat with letters sent to employees over the weekend of the 16th - 17th September.

These letters told workers they had been sacked as of the 17th December 2006, then offered them a job under new conditions. They were sent to all those who refused to cave in to pressure to voluntarily agree to the changes.

The reason for this dramatic step has been problems in reaching agreement locally on the new national agreement for local government employees - the Single Status Agreement. Single Status is the replacement of the old separate national conditions of service for blue collar and white collar employees with a new national scheme. The new scheme was agreed following a membership ballot in which 90% of members voting agreed to the single status agreement. The agreement took a long time to implement due to a number of reasons;

- ❑ Time needed to write up a job evaluation procedure.
- ❑ A dispute over the funding of the SSA with employers arguing that it must be cost neutral with all additional costs being met from off-setting savings within the agreement.
- ❑ The withdrawal of Scottish Local Authorities from the UK bargaining machinery and the writing of a scheme for Scotland.
- ❑ Falkirk issues, including the time taken to carry out job evaluations and the hard line bargaining strategy adopted by the local branch of UNISON.

The principal of Single Status was overwhelmingly agreed by members for several reasons. Firstly it is inherently unfair to have different groups of coun-

cil workers on different pay rates and conditions of employment based on a nineteenth century militaristic concept of "officers" and "men" - local government officers or white collar staff and manual workers or blue collar.

Secondly, the white/blue collar divide often masked real pay inequality due to gender. Both employer and trade union sides agreed that a key objective was a pay structure free of any sex discrimination. Thirdly, when the SSA was negotiated the whole structure of national collective agreements in local government was under threat with many councils threatening to pull out of national arrangements unless these became more "flexible"

There are 3 key elements to Single Status, the new national agreement called the Red Book, which contains key national provisions that councils cannot worsen and provisions that are subject to local negotiation. The third key element is job evaluation. Job Evaluation is not a science nor can it be totally objective. It does, however, aim to be consistent within each council. We would not expect there to be large variations between similar posts in different councils although small variations can lead to differences in grades.

Equal Pay Act

Job Evaluation should be easily understood and easy to use with commitment to joint ownership of the process by both the employer and the employees on an equal footing through their trades unions. The local elements of Single Status are meant to be implemented following negotiation and agreement.

The problem is one of cost. No allowance for this extra burden has been made by central government despite the fact that it is national legislation, the Equal Pay Act 1970, which has been driving these changes.

Locally, Falkirk Council has been trying to offset some of the costs involved in pay rises for some staff by making cuts in payments made to other employees. This is totally unacceptable

to UNISON. "That would be fine if every one of our members was getting a pay rise", said Gray Allan UNISON Branch Secretary, "this is not happening. Those losing allowances and premium payments are among the lowest paid of our members and are those working with the public in the leisure and in the caring services" The Council is trying to force this before the end of the year. When they gave low paid women workers equal pay compensation in the first quarter of the year they demanded an agreement that our members would not take any further legal action over discrimination in pay arising during the period that ends on 31st December. They have made a rod for their own back but now council workers are getting hammered as well."

"We will not be rolling over and accepting this" said Gray. "Every employee who has been sent a notice of dismissal and reengagement can take the Council to an Employment Tribunal for unfair dismissal and breach of contract, while continuing to work under protest on the new contract. We are urging our members to sign up for this campaign. It seems that Falkirk Council has made fundamental errors in how they have gone about this; these matters are in the hands of our lawyers."

In addition, many members are calling for industrial action as they are faced with cuts in pay and long weeks without any income because of all being changed to monthly pay from weekly and fortnightly pay days. Falkirk could be facing a winter of discontent if we cannot hammer out a settlement very soon".

Falkirk Council is led by the SNP and a small group of UNISON members and supporters took the dispute to the door of the nationalists' Annual Conference in Perth on Friday 13th October. Demonstrators had a mixed reception with many delegates expressing support but some trying to score party political points as UNISON is (in part) affiliated to the Labour Party. ❑

Reclaim Our Rights and Our Party

By Our Industrial Correspondent

Two rank & file trade union conferences are taking place, one on the 28th October and the other on the 11th November. The first has been organised by the RMT and is open to shop stewards, while the November conference has been organised by the Respect coalition and is open to all trade unionists. It is unfortunate that these two conferences have been organised separately and it would be hoped that any future conferences should aim to link up rank & file left activists in one conference.

The idea of creating a fighting organisation that links up all the left activists in the trade union movement is a good one. The difficulty is how this should be organised and what programme such an organisation adopts. There have been many attempts in the past to create rank & file left organisations such as the Liaison Committee in the 1960's, the rank & file movement in the 1970's and the BLOC organisation in the 1980's. There are many different rank & file left organisations in the trade unions at the moment with probably the most successful example being the PCS Broad Left. The Broad Left within PCS is a broad-based movement of socialists. It is open, democratic and campaigns for socialist policies in the union rather than just acting as an election machine, unlike some other broad lefts both in the past and now.

Conferences organised to bring left activists together should be leading campaigns to fight the anti-union laws with more that just private members

ills. They should be actively encouraging and co-ordinating members at rank & file level to fight the laws and put pressure on the leadership to back them in their fight. They should also be spearheading campaigns on pension rights and fighting privatisation. A solid organisation on the left is needed that can encourage workers to join trade unions and lead campaigns. This is what these conferences should be aiming to build.

The RMT conference is designed to attract trade unionists to fight for the Trade Union Freedom Bill, which should only be seen as a first step in defending the trade union movement, and recovering our rights. However, the law alone will not be enough. Recruiting more members and using the power we hold is the only way to guarantee our ability to fight to defend ourselves and for our members' interests.

The organisers of the Respect conference pose the 'crisis of political representation' for working people, pointing to the example of the FBU disaffiliation from the Labour Party, and the decision of the RMT to affiliate to the SSP. There is a huge drawback here in their failure to mention the fight back that is beginning in the Labour Party with the John McDonnell leadership campaign, and the pivotal role the affiliated trade unions must play in reclaiming the Labour Party.

Many so-called workers political parties have been created outside Labour and all have failed. The recent split in the SSP must serve as a warning to us

that making decisions for our union to join another political party based on frustration, anger, and resentment towards the Labour Party is not a good way to determine what is in the interests of our members. Frustration is always a bad taskmaster. A more sober minded analysis and a longer term view needs to be taken. Knee jerk reactions should be rejected. Is that not how we negotiate with management?

All left trade union organisations should be campaigning now to ensure their sponsored MPs back the campaign by providing John McDonnell with the 44 nominating MPs he needs to stand in the leadership elections. Every union member who pays the political levy to Labour will get a vote in that election too. A campaign needs to start in earnest to win their support. Those activists in unions not affiliated to Labour should begin to draw conclusions from their disenfranchisement. In the first place the unions should be in the Labour Party in order to change it. This would be a serious way to overcome the 'crisis of political representation'. Only by linking up the trade union struggles with the political struggle will workers win their rights. That is why the trade unions set up the Labour Party 100 years ago. The Respect Party with its narrow support, or any other self proclaimed workers party, cannot achieve the creation of a new mass workers party. The struggle should be to reclaim the Labour Party. □

Youth Need Fighting Trade Unions

The trade union movement needs to win young people. A scheme will be piloted in Scotland with trade unionists visiting schools explaining rights at work and the role of trade unions, under the 'citizenship' curriculum. The purpose is to raise the profile of trade unions among young people, to promote the value of being a union member as part of the TUC 'trade unionist in the classroom project'.

At present only 10% of union membership is made of under 24 year olds. Young people tend to work in the least unionised sectors and are usually

the most exploited. Some unions are now targeting university students because of student fees, the cost of living, etc. Many students are forced to work while studying. 60% of 16-17 year olds work while in full-time education. The trade unions must develop a strategy to encourage more young people to get involved in the movement.

It has been estimated that 'every 40 minutes of every working day, seven days a week, a preventable workplace accident maims or kills a young worker'. (Rory O'Neil *Hazards*

editor). 18-24 year olds are at least 50% more likely to be injured at work. Young people are ignored in risk assessments, are not given adequate information, training and instructions. 4,000 young people between 16-24 suffer major injuries such as amputations every year. 15,000 need to take more than three days off work because of an accident at work. Being young and in the service sector makes you 45% more likely than older workers to be physically or verbally attacked. □

When LEAN Means Job Cuts

By Martin Page, PCS Leicester (personal capacity)

17,000 members of PCS in Her Majesty's Revenue and Customs (HMRC) are now involved in action over the imposed implementation of the LEAN process. This strips down each job to a series of repetitive tasks, deskilling the workforce and making it easier to pick on weaker workers. A further 8,000 members in the Distributed Processing Offices (DPO) have voted by 83% to join their comrades in the Large Processing Offices (LPO) in industrial action involving an overtime ban, work to rule and withdrawal of goodwill.

PCS demands are simple - no excessive recording of work, no individual targets and a review of how successful LEAN has been so far.

LEAN was introduced to assist HMRC in cutting 16,500 jobs as their

contribution to the overall Civil Service cuts of 105,000.

Its implementation has been criticised by LEAN experts in industry as completely erroneous - only taking the bits that lead to increased productivity - it has not materialised with each of the 11 LPO sites now all operating different versions.

Meanwhile the overtime ban has hit HMRC hard - the 31st January filing date looks like it will be hit hard and there are hundreds of thousands of unopened letters being stockpiled in store houses hired especially.

The whole experiment is close to collapse and it looks like the senior managers could be the scapegoats as local managers look for an escape route from the dispute.

Only small numbers of members

(less than 3%) have sided with the bosses by breaking the overtime ban and activists have been joined by many members on picket lines all wanting to show management what they think.

The other members not yet involved are increasingly questioning why they can't take action and when the all PCS ballot is officially announced it will be well supported in HMRC - especially as the action looks to be on the 31 January filing date, long regarded as the day to give management a bloody nose.

The key to victory is to now build for all member action right across HMRC to bring the employer to the negotiating table so PCS can ensure HMRC benefits both workers and the public and not the balance books of big business and government. □

NHS Workers Win One Battle But More Attacks Follow

By an NHS worker

Domestic staff at hospitals in South Tyneside won an important victory in their fight for recognition of the work they do with patients. The workers involved are to be congratulated for their unity and strength. Their action shows what can be done when workers stand together and fight.

The hospital Trust tried to force domestic staff onto contracts that did not recognise the contact they have with patients. This would have meant that domestic staff would receive a lower wage and would make it more difficult to obtain future pay rises. The staff demanded to be placed on band 2 rather than band 1 of the new Agenda for Change pay structure in recognition of the contact they have with patients. The workers started with two one-day strikes and these were followed by indefinite all out action that lasted a week. Management was forced to negotiate an agreement on the staff's future pay structure. No doubt the hospital bosses had enough of cleaning wards and mopping floors, as was shown on the local TV news. It was very telling that management had to use mops (which can spread infection) rather than the machines that domestic staff are trained to use.

Other workers in South Tyneside may also soon be fighting for their jobs. The South of Tyne and Wearside Mental Health Trust was found to be £300,000 in debt last year. The Trust has now been merged to become a larger mental health trust (Northumberland, Tyne and Wear NHS Trust) but it has indicated that up to one in 10 mental health jobs could be axed, which would mean 200 job cuts in the South Tyneside area alone.

Meanwhile, staff at one foundation trust in the North East have been told that they will have to pay for the

pleasure of coming to work.

Staff who work at Northumbria Healthcare Foundation NHS Trust have been told that from 1st December they will have to pay up to £260 a year for bringing their car to work. Staff working for Primary Care Trusts (PCTs) who visit the hospitals as part of their work may be able to claim back the parking charges. However, for those PCT staff who are based at Northumbria's premises and need to use their car to visit patients - including speech and language therapy staff, podiatry staff and occupational therapists - have been told that they cannot claim back the charges. Northumbria Healthcare has threatened to deduct these charges from their pay.

If this is introduced this would be a clear pay cut for all staff. This is in contrast to the Trust's Chief Executive who was paid in excess of £135,000 plus a further £4,300 'benefits in kind'! The local PCT Unison branch is opposing these changes and has suggested that they would be prepared to defend their members by taking action under the 'unlawful deductions from earnings' section in the 1996 Employment Rights Act.

We must oppose foundation hospitals because they threaten the very principles of the NHS. They are organised and run like private companies and are becoming part of a market where hospitals compete against each other for patients. They also have greater powers than other hospitals, for example, to keep surpluses and borrow from the private sector, and they are unaccountable to government. Foundation hospitals will result in increased inequalities between NHS services and promote the extension of charging for services. □

Merseyside Firefighters - Victorious and Vigilant

By Kevin Conway, Merseyside FBU (personal capacity)

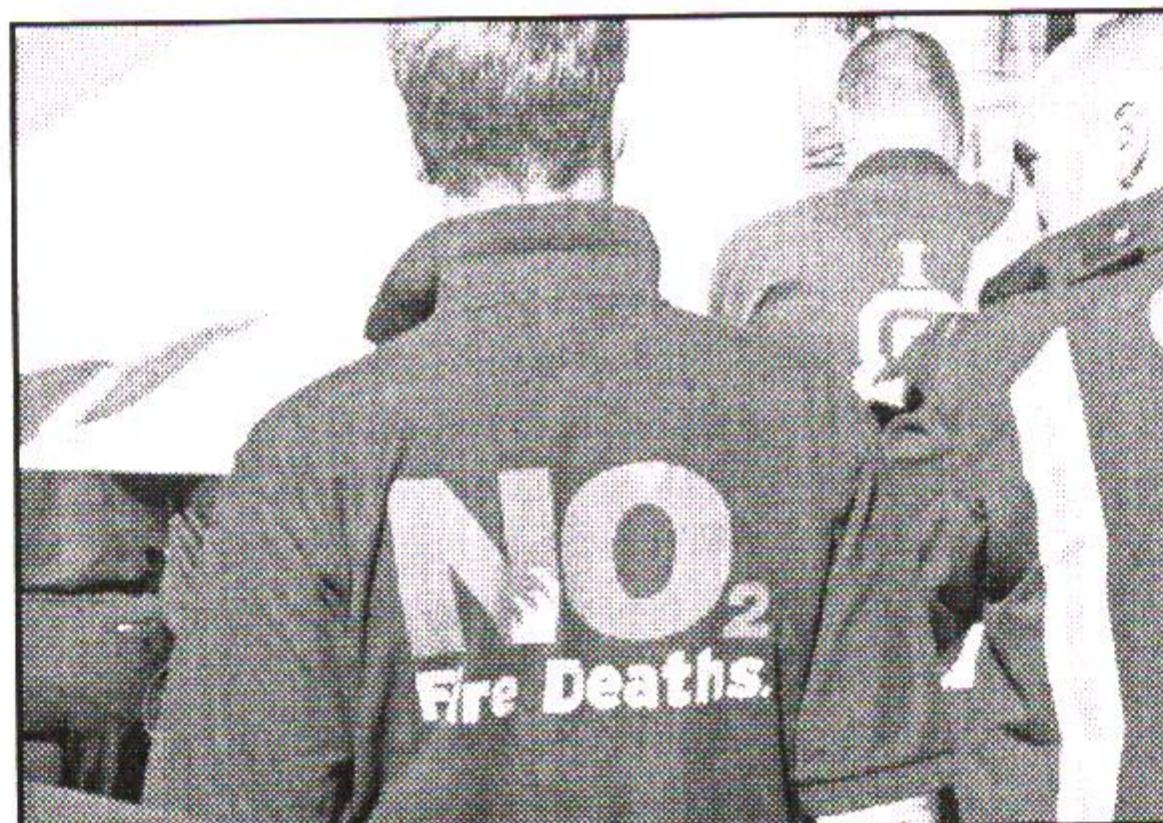
On Saturday September 30th at 0900 hours Merseyside firefighters returned to work after a bitter industrial dispute which lasted for more than a month.

Firefighters went back in with their heads held high having resisted a series of swingeing cuts in the face of unprecedented bullying and harassment from senior management.

The issues which made up the trade dispute were:

1. LLAR - A shift system where firefighters have to work 96 hours continuously on station, double our normal hours, for an extra 20 percent pay. This is a system of working that is unlawful and breaches all previous agreements.
2. The removal of four fire engines at night, the time when most fire fatalities occur.
3. Cuts in the control room where 999 calls are handled
4. Part-time contracts for overtime at standard rates of pay not premium.

Before the ballot FBU members on duty were dragged down to the Brigade HQ to be told the 'party line' that budget shortages meant cuts had to be made and striking was futile. After the ballot result FBU members were bombarded with mail shots at home with numerous threats, ie, no promotion for anyone



taking part in strike action; no periods of sickness during strikes to be recognised. These threats hardened the resolve and unwittingly revitalised the union.

A team of strike-breakers from non-uniformed staff, senior managers, and, unfortunately, a small number of FBU members were put together, paid time and a half to break the strike and promised the earth in terms of their future promotion prospects. This rag-tag grouping stayed on fire stations 24/7 providing a skeleton service in the absence of troops who were busy deployed on imperialist adventures abroad.

Once up and running picket lines were focal points for support. Drivers continually 'beeped' and waved their support. The public who fund the service via taxes realise that cuts cost lives. Public sector workers identify with our

fight as they face similar battles all in the name of 'modernisation'.

Picket lines were visited every hour by police to check on numbers and rowdiness. This included at stations where there was no scab presence. So, in effect, we were being accused of intimidating empty fire stations!

Bullying and harassment continued from management.

Arrangements for collecting union subs were ended by our employer without formal notification. FBU

notice boards were taken down and removed from stations. Union posters were ripped down from public places.

FBU members stayed strong and ultimately it was the strike breakers who caved in, indicating that they weren't prepared to work continuously and feeling isolated, both in work and in the community, by their actions.

Since returning to work senior management have visited stations throwing their weight around and 'outlawing' tea breaks, but they have been firmly put in their place. Chief Fire Officers around the country will have seen the outcome of this dispute and will take a step back.

The FBU must remain vigilant as future attacks are inevitable, but if we remain united and strong with the confidence gained in this dispute we can go on to future victories. □

NUJ Members Prepare to Strike at *The Guardian*

The Guardian chapel is gearing up to ballot members on taking industrial action over pay and in protest over huge bonuses awarded to senior Guardian executives.

Pay talks broke down after the Guardian refused to meet a 4% pay demand, and rejected calls for a £28,000 minimum for website staff in a move to narrow the pay disparity with their newspaper colleagues.

In the wake of the refusals NUJ membership at the newspaper has leapt to 90%.

Disappointment turned to fury last week when it was revealed that senior ranking executives had awarded themselves huge bonuses worth over £1m, and that the editor had accepted a pay increase worth 11%.

Guardian management stood firm on their original offer of 3%, coupled with plans to introduce a 'skills matrix' system which would evaluate the jobs and skills of website staff to help lift their pay levels in recognition that the com-

pany was operating a two tier workforce.

But the chapel called for the job evaluation process to be kept separate from the talks and asked that the £500,000 earmarked for the exercise be stumped up for the pay round after concerns that the job evaluation process was heading towards an appraisal system.

The NUJ is due to give notice within days of plans to ballot the membership - one of the biggest in Fleet Street.

Jeremy Dear, NUJ General Secretary, said: "It is disgraceful that management can refuse calls for decent pay and equal conditions for web staff, while at the same time rewarding themselves massive increases. The level of membership that we now have at the Guardian shows how strongly staff feel the issue".

The press gazette reported last week that the Guardian chapel has been banned from using the email system to communicate with members over balloting procedures. □

Welsh Labour Grassroots AGM Endorses John McDonnell

By Mark Turner, Secretary, Cardiff County Unison (personal capacity)

Welsh Labour Grassroots is a broad, left alliance set up by activists in the Party to support the policies and direction of the Welsh Assembly Labour Government. It supports and encourages the distinct difference in emphasis and policy direction of the Welsh Labour Assembly members from New Labour in London. The Welsh Assembly has rejected the privatisation agenda to some degree, using PFI sparingly, introducing grants for students before London, rejecting Foundation hospitals and the extension of private influence in schools. It has introduced free bus fares for pensioners and by the time of the next election prescriptions in Wales will be free. The term 'New' Labour has been dropped in Wales since 2003, and the Labour Assembly members have been arguing for more powers to be able to introduce more 'socialist' policies in Wales, which has been partly frustrated by the Government refusing to implement the full recommendations of the Richards Commission.

However, what First Minister Rhodri Morgan calls the 'clear red water' between Cardiff and London is often attacked by Welsh Labour MPs who have been responsible for voting for policies such as Foundation hospitals when the people of Wales will not have to suffer them. There have been con-

sistent attempts to undermine the stance taken by the Assembly, particularly in the areas of Health and Education, and it is for this reason that the 'left' has rallied in support of the Assembly in the Grassroots.

Simply because it is such a broad coalition, the main motion on the agenda of the AGM - to support the John McDonnell campaign for Party leader - was a serious test of which way this rank and file body would go. There were some at the meeting who proposed that the Alliance 'wait and see' who else might throw their hat in the ring. The argument that the 'left' should try to lever some less New Labour policies from Gordon Brown and support his bandwagon was also put. The idea that John was unlikely to win and that a more 'credible' candidate should be sought also reared its head.

Audience for Socialist Policies

However, *Socialist Appeal* supporters argued vociferously that we needed to commit to support John now, and that even if he was not successful, the arguments for socialist policies would be heard by a wider audience. In the end, the vote was not as close as the debate would have led you to expect and support for John was pledged. Then John

spoke and at the end of his speech there was a feeling of great optimism about the campaign. Socialist Appeal supporters drew parallels with the unprecedented clamour for a democratic vote in the trades unions during the Rhodri Morgan/Alun Michael leadership battle, with union members showing a real interest in the outcome and demanding that their voice be heard. The same thing could happen on a much bigger scale if this campaign is taken into the trades unions. The New Labour creatures currently fighting like ferrets in a sack may just get a big surprise when the rank and file have a genuine say in who the unions support! With all affiliated members getting a vote, this will almost be the case. The issue for now is getting the 44 nominations needed from MPs. Then the campaign can really take off, presenting many opportunities to raise socialist ideas throughout the labour movement.

This was the biggest rank and file gathering in a long time. There were MPs and Assembly Ministers speaking. It was an interesting and encouraging day, bringing back memories of proper, lively debate and political discussion in...yes, the Labour Party. The Labour leadership election can be the beginning of a new process of change within the Labour Party in the next period. □

Hull Activists Back John McDonnell

By a Scunthorpe Labour Party member

On 20th September, 30 activists, including 5 youth and students, and UNISON, RMT and PCS members gathered at the Guildhall in Hull to hear John McDonnell speak about his bold campaign bid for the Labour leadership. John, touring many cities at the moment, reported that his C.L.P. in Hayes and Harlington has 600 members, and is active, including in the recent Gate Gourmet dispute nearby. He fears both Blair and Brown are mis-leading Labour, and "sleepwalking to the disaster" of a hung parliament, or losing to Cameron's Tories. He relayed how recent polls record the Tories as being more trusted on the NHS, education and the economy!

He went on to describe how £21 billion of City bonuses had just been paid out while the inner cities and rural zones are steeped in poverty, crime, racism, etc. The bottom 50% of Britain owns only 6% of all wealth!

His campaign had a recent meeting of 100 youth; it has a pensioners' group; his website (john4leader.org.uk) gets 1000 visits per day; and he got 59% in a poll of TUC

delegates.

Most union broad lefts, the Labour Representation Committee, and Hands off Venezuela have already endorsed him, and he is confident of getting the 12.5%, 44 M.P.s' nominations required. (M.P.s can nominate more than 1 candidate).

All of his programme is endorsed by Labour conference decisions. A *Socialist Appeal* supporter pointed out that now John is standing, the likes of Derek Simpson of Amicus and other union and Labour leaders can no longer parrot "there's no alternative," and the election of Labour's NEC (also all members voting by postal ballot) shows how members recently voted for a majority of left candidates (including Walter Wolfgang).

John is President of Hands off Venezuela, copies of whose magazine were on sale at the meeting. However the limitations of John's programme were also shown as he answered questions about renationalising the railways only "as franchises end," and in expecting the dis-United Nations to put Arab troops into Iraq to replace British and American forces. Nevertheless his programme represents a big step forward and meetings like this provide us with an opportunity to raise our ideas too. □

Primary Schools Face Closure Unless We Fight

By Ewan Gibbs, Edinburgh School Students Union

Over the summer it was widely reported in the local press that Edinburgh City Council was considering closing primary schools due to falling school rolls. The Edinburgh Evening News named several candidates for closure including Leith Walk Primary School and Leith Primary School. The council denied these reports, however, it did confirm that it was looking at the possibility of closing some primary schools.

All school closures are a bad thing. School closures will mean a great loss to the community. Schools often serve as venues for events and can provide facilities not available elsewhere, for example, local sports clubs may use their gym hall. Schools are also a source of employment, cleaners, janitorial staff, teachers and canteen staff. Although the council has claimed that under current plans no staff will be cut, it seems unfeasible that under current circumstances the council would continue paying the staff of two schools only to work in one. This would not cut any costs, and it would leave a surplus of staff with little to do. It is quite probable that in years to come the demand for places in primary schools in Edinburgh could actually rise. Closing schools would be an exceptionally short sighted move at a time when a number of workers, particularly from Poland, are arriving to work in Edinburgh and looking for education for their children.

All this is beside the point. In all education, from nursery to further education, class sizes are too big. In the early years of education children gain a lot from one-on-one teacher time. If school rolls are falling then this would be made possible, were the council not to close down their school

and possibly lay off their teachers.

Especially at a young age, school students benefit from going to a school nearby. It allows them to walk to school, possibly on their own, and at school make friends from their local community. As opposed to a long journey, by bus or car that will also take time out of their parents lives, causing particular difficulty if both work.

Any fight to save schools must be coordinated between all schools, united against all school closures. Too often in the past the council has played schools proposed for closure against one another, this has meant that the school with the weakest Parent Teacher Association, and most inexperienced parents and students has lost out. Usually these schools are in the most deprived areas, further compounding problems by taking schools out of a struggling, poverty stricken area.

This fight, though, is not only one over a handful of primary schools it is over the future direction of education in Edinburgh. If the council is allowed to close down these schools without opposition then it will go on to shut more down and cut the education budget to a minimum. It is also a fight in high schools, however, as while this particular attack is aimed at primary schools, high schools in Edinburgh are facing privatisation. Only a united fight by students, teachers and parents will be capable of protecting and furthering education in Edinburgh. □

ESSU says:

□ **No to school closures and potential lay offs.**

□ **For a fully funded, state owned, comprehensive education system.**

Funding Needed to Tackle Drugs

By Steven Millar

The Scottish executive launched the "dealers don't care campaign" on the 4th of September. The campaign, now in its second year, is supposedly to encourage people to come at a public venue, anonymous letter drops or a phone hotline to point the finger at neighborhood drug dealers. This year the campaign cost three hundred and seventy thousand pounds of taxpayer's money and will run until the start of October. Conversely the Renfrewshire RCA Trust's Young Person's Advisory Project received one hundred and eighty-nine thousand pounds worth of funding from independent trusts since 2002. The Project helps young people with drug problems, and is performing a service that actually matters, unlike the Scottish executive who spent nearly twice the amount of money in a fraction of the time on a campaign that one worker described as "poorly attended". The campaign is using money that could be better spent tackling the problem with substantially less fanfare. The Scottish executive sees this as raising awareness of a problem and getting the community to help them deal with it, but is it not really a way of them being seen to do something rather than actually doing anything? Such is the situation in politics that solutions are no longer sought, the notion of acting for the good of the people is swept away in a wave of publicity stunts, this sort of attitude is all too prevalent in the Scottish executive and it needs to change. The Government should be working for the good of its people not its own image, it should not be able to claim it spends thousands of pounds on tackling the drug problem in Scotland when all it is really doing is raising its own public profile at the expense of the very people it is supposed to serve. □

Forthcoming Meetings In Scotland In Support Of John McDonnell's Leadership Campaign

Edinburgh: Appleton Tower, Lecture Room 1, Edinburgh University on the corner of Crichton Street and George Square, from 7-9pm on Thursday 16th November.

Local MPs Gavin Strang and Davie Hamilton have been invited to take part. There will also be contributions from the local School Students Union and School Students

Against the War as well as from a member of Edinburgh University Hands Off Venezuela Society, who have booked the room. All Welcome

Glasgow: Strathclyde Unions debate chamber at 4.30pm on the 17th November. All Welcome

2006 - A Roaring Success for Solidarity Campaign! Build Hands Off Venezuela!

By Rob Sewell, HOV National Steering Committee

It has been a year since the first national conference of the Hands Off Venezuela campaign - and what a year! It has been a year of intense activity in defence of the Venezuelan Revolution, but the highlight for us was certainly the visit of President Hugo Chavez to London in May.

Prior to this, HOV was involved in sending a delegation to the World Social Forum held in Caracas. We met with HOV activists from several countries and organised a number of activities including a solidarity rally attended by 300 people and a joint meeting involving workers from the occupied factories.

Following this Hands Off Venezuela was busy holding public meetings and preparing resolutions supporting the Bolivarian Revolution for the trade union conferences beginning in the spring. Much of this was building on the successful work HOV had undertaken in the previous year, culminating in the unanimously supported resolution backing Venezuela's social programme and opening official links with the UNT. It was due to our work that Orlando Chirino from the UNT leadership was able to visit the TUC and participate in its deliberations, meeting the main leaders of the trade union movement.

After months of speculation about a possible visit by Chavez to London, in the end we had something like 10 days to organise our welcome. We originally swung into action to book a suitable venue large enough to hold a mass rally and made hasty enquiries into the 5,000-capacity Royal Albert Hall or even Trafalgar Square (we even went as far as to design a poster overnight for mass distribution). Unfortunately our enthusiasm was partially undermined when we were informed that the organisation for the visit, rather than being

placed in the hands of the solidarity organisations, which we understood was originally the plan, was to be placed solely and firmly in the hands of Ken Livingstone and the GLA, which to be honest had only recently woken up to solidarity with Venezuela.

As we feared, the GLA originally ruled out any public speaking event for Chavez. It seemed all they wanted were a few closed receptions and photo opportunities with the mayor. However, under pressure, they eventually caved in and booked an 800-capacity hall in Camden. In the end, without any publicity, over 5,000 people jammed the GLA switchboard requesting tickets to hear Chavez - only to be disappointed by the restricted numbers. HOV had been allocated 100 tickets, which vanished in a few hours!

As a result, unlike the hugely successful public rally addressed by Chavez in Austria organised by Hands Of Venezuela, the London event was far smaller and many were disappointed by a lost opportunity. Clearly, as HOV had hoped, with publicity, despite the short notice, Chavez would have filled Trafalgar Square. Nevertheless, despite this, HOV swung into action in an attempt to take full advantage of the visit to promote the Bolivarian Revolution. We organised, together with the Bolivarian Circles and others, welcoming rallies everywhere Chavez

went on his three-day visit, from his hotel on his arrival to the Mansion House when he left to catch his plane. At each event HOV representatives met with Chavez who was delighted by our support and solidarity. In his speech at the Camden Centre he publicly thanked Hands Off Venezuela, and in particular praised the work of our Austrian comrades and Alan Woods for the marvellous reception he was given in Vienna.

This visit, despite its shortcomings, was a tremendous boost to the solidarity work. To our credit, the work of HOV was extensively covered by the media in Venezuela and helped to reinforce our profile. Soon afterwards, the TUC sent an official delegation - a fact finding mission - to Venezuela, in which Jeremy Dear, a joint-president of HOV, participated. Jorge Martin, the international secretary of HOV, was also in Caracas and assisted the delegation.

During the trade union conference season, HOV organised numerous interventions into different conferences, sponsoring motions and holding fringe meetings. These included the NUJ, Natfhe, TSSA, ASLEF, CWU, UNISON, PCS, USDAW, Amicus and others. In all, this year alone, unions numbering 800,000 members voted through their annual conference to affiliate to HOV, and unions numbering more than 1,500,000 voted resolutions supporting our solidarity work. This is no mean feat given our lack of resources!

Again we organised successful interventions at the TUC and the Labour Party Conferences, which served to fly the banner of the Venezuelan Revolution.

Local solidarity groups have sprung up in different parts of the country, which have been engaged in sterling work. For example, in Brighton, the group there hired the local cinema to show "The Revolution Will Not Be Televised" and attracted over 300 people, 70 of whom later heard Jorge Martin speak about the



Venezuelan student leader kicks off speaking tour in Britain

By Maarten Vanheuerswyn

Revolution. In Norwich, some 160 attended a screening and talk. In Scotland, a very successful tour was organised by HOV with a young revolutionary Bolivarian activist from Caracas.

Over the last year, HOV was extremely proud to bring out its own regular colour magazine, which has been sold throughout the country. The number of pages went up from 16 to 24 in the second issue, which was a TUC special. Membership has continued to rise and more activities are planned.

The only negative feature over the last year has been the lack of co-operation of the other solidarity organisation, the Venezuelan Information Centre. Last year, HOV regretted the formation of another solidarity organisation, which could only lead to confusion. However, we have done our best to build bridges with VIC, to at least co-operate where the possibility arises. This is far preferable to engaging in sectarian rivalry. However, where HOV has extended its hand of co-operation, it has either been ignored or rebuffed. This led this September to two Venezuela fringe meetings taking place on the same day, at the same time, at the Labour Party conference! Unfortunately, our offer to abandon our meeting in favour of a joint meeting was turned down. This is a shameful state of affairs, which can only play into the hands of the enemies of the Venezuelan Revolution. Whatever differences there are, surely, a basic relationship can be developed to avoid this needless duplication? While HOV has made its friendly advances, we hope that these can be reciprocated.

Whatever happens, nothing is going to isolate us or cause us to disappear. That is ruled out! The Venezuelan Revolution is far too important. In the meantime, we will simply carry on with our urgent solidarity work, building up the campaign in new areas. This is more urgent than ever given the Presidential elections and the relentless attacks by imperialism and the Venezuelan oligarchy. □

October 24th saw the first of many events organised by Hands Off Venezuela featuring Ronny Pante, general coordinator of the Integrated Students' Movement in Bolivar, Venezuela, who is touring British universities to explain why students and activists in this country should care about what is happening in Venezuela. More than 40 people turned up at SOAS University in London to hear the reflections of an experienced Venezuelan student leader on the Venezuelan Revolution.

After thanking the HoV campaign for organising the speaking tour and stressing the importance "of having a platform through which we can counter the media lies", Ronny started his speech with an anecdote. Back in April 2002, he said, nobody knew what was happening during the coup. The media in Venezuela were only showing cartoons and soap operas and were not telling the truth. Ronny and other students had to turn to the BBC London radio service to find out about the demonstrations that were springing up all over the country that were to prove decisive in reinstating president Chavez. The turbulent events of 2002 clearly posed the need for a strategy to counter the disinfor-

mation, which is where the Hands Off Venezuela campaign can help.

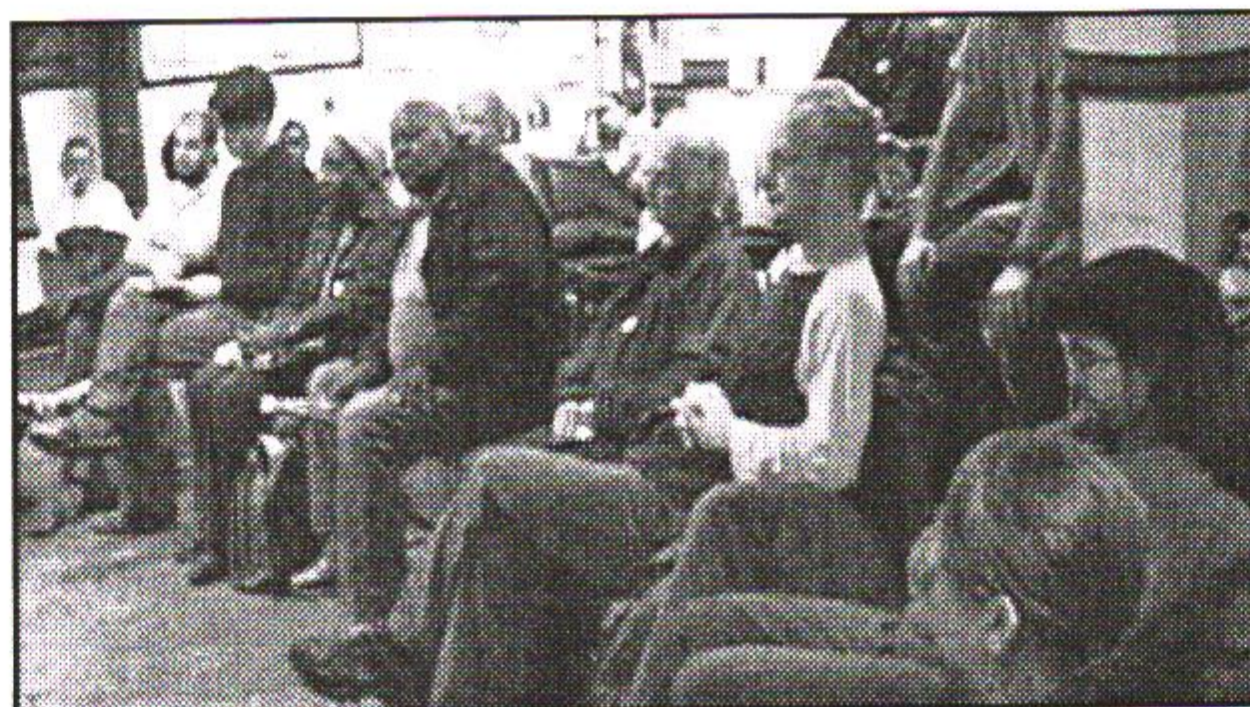
Ronny went on to describe the revolutionary process that is taking place in Venezuela and pointed out that this didn't actually start with the electoral victory of Chavez in 1998 but goes back to 1989. The Caracazo was the name given to the protests against the neo-liberal package introduced by Carlos Andres Peres, the then Venezuelan president. The strangling of the economy led to a social explosion in which thousands were killed by the army and the police. Against this background Hugo Chavez became a popular figure and managed to galvanise support amongst the masses. After going to jail for a few years Chavez was released and in 1998 he won the presidential elections. However, it would be wrong to see all of this as the work of one man; what is important is the role that ordinary men and women played over the last decade.

After briefly touching upon the role of the universities in the revolution, which have always been in the vanguard of the struggle, Ronny listed some clear achievements of the revolution. The Chavez government has implemented a whole range of social programs. With Mision Robinson 1.5 million Venezuelans have been lifted out of illiteracy and Mision Rivas has brought secondary education to hundreds of thousands of people. Cuban doctors work close to the people and free healthcare is available for everybody. One of the more recent misiones is a continuation of the mision Barrio Adentro and is set to transform the hospitals. However, the most important mision is the transformation of the people themselves, who have gained a real sense of dignity after years of oppression.

Despite all the achievements, Ronny said, which have all come about through democratic decision-making, there are still a lot of contradictions in Venezuelan society. One of the main problems is the presence of



a bureaucracy that blocks the process from going further ahead. The people want to see change, not bureaucratic procedures. One of the main battles ahead is precisely this one, as has been recognised by Chavez himself on many occasions. Ronny said he welcomed a debate on these questions, as it is clear some elements in the constitution help to maintain capitalism in Venezuela.



Another big debate in the run-up to the election of December 3 - with the main slogan being "10 million votes for Chavez", a very ambitious target considering that only 14-15 million people are registered to vote - is the question of the "unified party". Chavez has opened the debate on the need to build such a party with the idea that there are so many different parties standing for the same thing, thus creating unnecessary divisions.

At the end of his speech, Ronny turned back to the question of solidarity. He stressed that international solidarity has had an important effect on activists in Venezuela itself. They feel strengthened knowing they have support abroad and are not alone in their struggle. But this is also true for Chavez himself, who has looked for links abroad and has on several occasions expressed his appreciation for solidarity events like the one organised in Austria. "What will happen in the world will decide what happens in Venezuela. On the other hand, what will happen in Venezuela will also have a big effect on what is happening in the world." With these words Ronny finished his contribution and received a big applause from the audience.

After Espe Espigares, a member of the national HoV steering committee, advertised the coming Hands Off Venezuela national conference, where Ronny will also be present, the time had come for questions and contributions from the floor. The first question was about the coming elections and whether Chavez was going to allow international observers or not. Ronny pointed out that it was not in Chavez powers to decide on this question. The CNE, the National Electoral Council, is the official body that is dealing with this. The Opposition claims Chavez holds power over the CNE, which is not true, and in any case there is a long list

of international observers that will closely monitor the elections.

Another question was about the role of the students in the revolution, which Ronny dealt with to some extent in his reply. Ronny said that the vast majority of students support the revolution and are not just active in their universities. In fact, university students have been a massive voluntary force who went into the communities for example to identify the amount of illiterate people. In this way they are a kind of brigade doing social research. Students participate in all mass movements. In their discussions with the communities they serve three roles:

1. To help organise people
2. To stimulate political debate and raise awareness
3. To communicate the achievements (for example, in writing or in murals)

They do all of this without forgetting about their own rights like good public transport to the university, more facilities, etc. Ronny recalled how they had mobilised against an increase in public transport fares and stopped it after taking over the town hall.

Other questions were asked about land reform. This, Ronny said, is indeed one of the key issues for the development of socialism in Venezuela. The "war against the latifundia" is one of the main tasks set by the revolution as so much land is left idle and has the potential to lift many landless peasants out of poverty. Here also there are many contradictions that have to be resolved. Some official functionaries with their own interests are against the expropriations of big landowners and refuse to redistribute idle land amongst the poor peasants. A real struggle is going on even though the debate has subsided now in order to maintain unity on the eve of the elections. Because

there are so many different interests involved, this debate will undoubtedly continue after the elections and will have to be resolved one way or another. For his part, Ronny made it clear that the solution to the poverty in the countryside is to take over the land and to put it back in production.

Some speakers from the floor made contributions about "socialism of the 21st century" as proclaimed by President Chavez and asked for clarification about this concept. Ronny said that Chavez originally advocated a rather nationalist program of limited reforms and didn't raise the question of socialism. Because of the pressure from US imperialism and the concrete problems of the masses he was forced, however, to look towards socialism in a concrete way. Chavez has clearly been influenced by different people with different ideas.

Some intellectuals argue that this socialism has nothing to do with that of Karl Marx and Friedrich Engels. Others argue that socialism means the expropriation of the main levers of the economy, putting them to good use, and also workers' control in the factories, as is already happening in several factories. Here too there are contradictions coming to the surface, not least in the government itself. Ronny maintained that once workers' control over the means of production is proven in practice, this could push Chavez to go further than is the case now. The whole debate about socialism of the 21st century is, of course, also a debate about the fundamentals of the Marxist theory of the state. Ronny holds the position that the misiones, however good in themselves, are not good enough and have to be complemented by the taking over of the main levers of the economy. This debate is also open and is a battle between reformists and revolutionaries.

Finally, the debate went beyond the borders of Venezuela with a brief discussion on what is happening in Mexico. Unfortunately, there has been very little information in the mainstream press about the electoral fraud in the recent Mexican presidential elections. Now more than ever international solidarity is needed in order to counter the disinformation about the revolutionary process developing in the whole of Latin America. □

From Boom to Slump

By Michael Roberts

The world's stock markets are booming. The US stock market index (called the Dow Jones industrial index) which measures the stock prices of the top 30 companies in the US has just hit an all-time high. Other wider-based indexes, both in the US and Europe are also at five-year or more highs. Even the Japanese stock market, which plunged to incredibly low levels after the financial market bust of the late 1980s, has started to recover.

Even so, these new highs are somewhat misleading. The Dow Jones index may be at an all-time high of 12,000-plus. But it has taken six and half years to get back there after the dot.com collapse in stock market prices back in March 2000. So if you had been stupid enough to invest in stock markets (as many middle-class people did and most of us were indirectly forced to do because our pension funds did) back in 2000, you would have made no money at all until now! You would have been better leaving your hard-earned savings (assuming you had any) in the bank.

Moreover, if the stock market indexes were adjusted for inflation since 2000, then the Dow Jones index has not reached an all-time high. To do that, it would have to rise another 15% before investors who bought stocks back in 2000 could claim to have made any money after deducting for inflation.

Nevertheless, the financial press and the investment houses of global finance capital are in euphoria. They are making huge profits - every day, the big investment houses announce yet more billions of profit made. This Christmas, their executives are expecting massive bonuses to their already bulging pay packets. Their earnings will be matching those of professional footballers. No wonder property prices in the 'best' parts of central London are rocketing!

These bonuses and the profits of finance capital also go a long way to explain why the stock markets are booming. Stock prices are rising fast

because the level of profits for big business in Europe, Japan and the US seems to be at record highs. According to the official data, the share of profits in annual national income is at a record high in the US, with the share going in wages (both for ordinary workers and their managers) at all-time lows. It's the same thing for Europe and Japan. The economic growth of the last few years since the mild global recession of 2001 has been mainly diverted into profits and workers have gained little or nothing.

It's the same thing with the profit margins. That's the measure of the rate of profit in a capitalist economy that the capitalist economists like to use. It measures the amount of profit made per unit of output. That is at an all-time high.

Rate of Profit

As readers who have followed this column will know, I have been trying to measure the rate of profit from a Marxist value point of view. That is very different from the bourgeois measure of profitability because it measures profit relative to the total cost to capitalists of investing in plant and the labour force. Marx showed that capital accumulation would have a

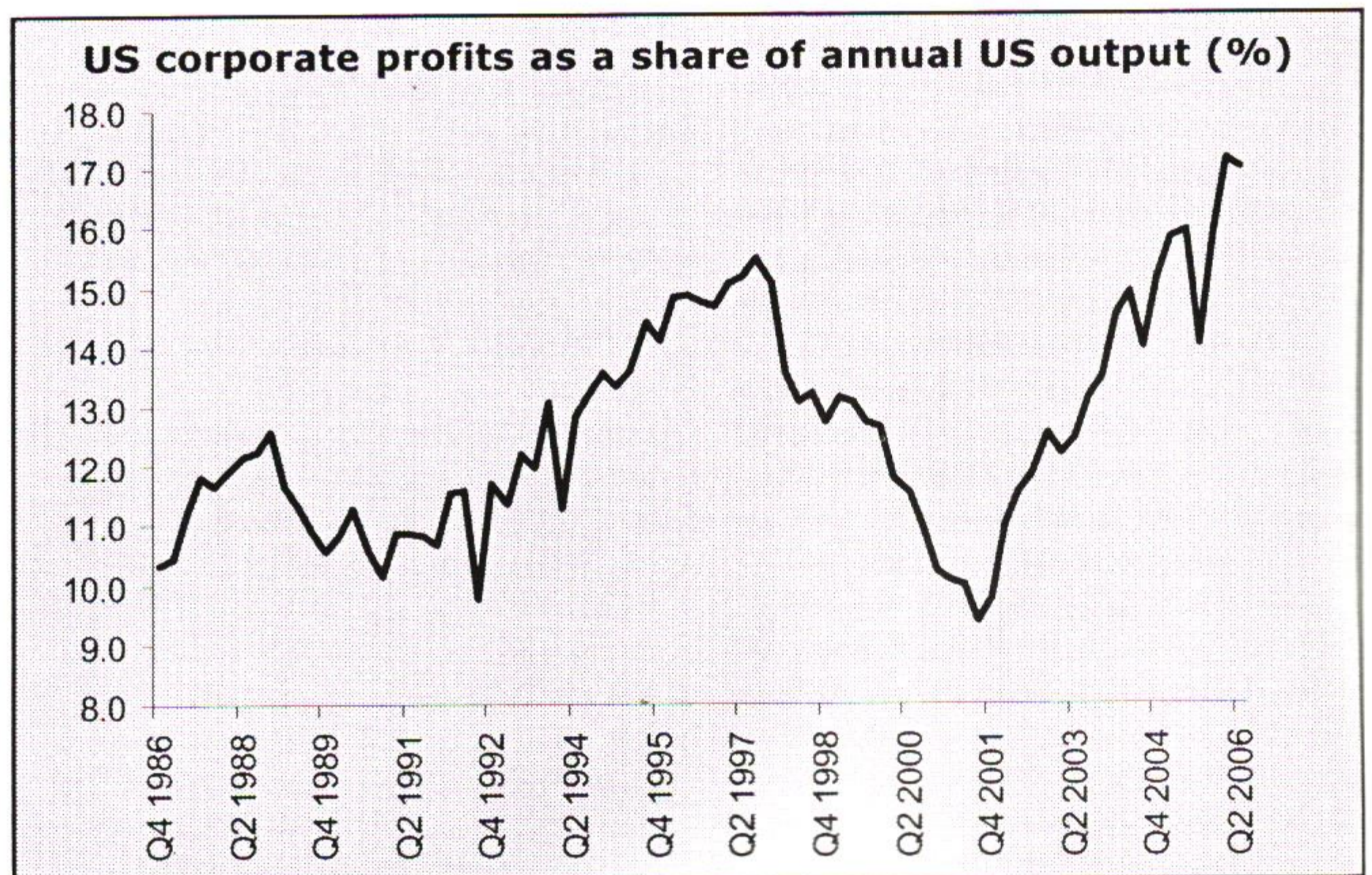
tendency to lower the rate of profit. That tendency for the rate of profit to fall could be counteracted for a while by higher exploitation of workers (as expressed in the higher share of profits in output - which is what the capitalist measures currently show), or by lowering the costs of equipment and plant through new technology. But eventually, profitability would fall.

As far as I can calculate, the rate of profit in the US under the Marxist definition is still below where it was at its peak in 1997. It has recovered from a low in 2001, but it has still not surpassed 1997. If that is right, then the argument that capitalism is still in the early stages of profit downwave holds. According to my argument, capitalism is set for a tough time over the next decade similar to the 1970s and even more like the 1930s.

If that is right, then the profitability of capitalism has probably peaked right now and is set to fall from here.

Investors in the stock markets are currently enraptured by the news that big business profits have been rising in the US at over a 10% rate for 17 consecutive quarters. And in the current quarter (Q3'06), they will be up another 15%.

Again these profit figures are misleading because much of the gains are



concentrated in the finance sector. The most productive sectors of the economy, manufacturing and industry, have not recorded such mega results. The banks and finance houses have ripped off most of the profit.

That's not good news for the future of capitalism in the US, Europe or Japan because it means that surplus-value extracted from the output of workers will not be re-invested in new technology and equipment to create more value but instead will go into what Marx called 'fictitious capital', namely speculation in the stock market or property, or will be invested abroad in exploiting workers in: China, India etc.

As Good As It Gets

Moreover many capitalist economists are now predicting that profits growth will slow to a trickle next year, as economic growth slows in the US and employment and investment costs mount. This is as good as it is going to get for capitalism.

Already, we know that the great driver of US capitalist prosperity - house prices - has collapsed. The US housing market peaked way back in mid-2005 and now, for the first time in 15 years, average house prices are falling. That is really bad news for the mass of Americans who have increasingly come to depend on maintaining their living standards by borrowing more on their houses as their value rose. They will not be able to do that any longer.

And they cannot expect to increase their incomes by working longer or taking extra jobs. Already Americans work more hours in one year than any other advanced capitalist country (with the exception of Japan). They work 20% more hours than French workers do in one year. It is a key reason why American capitalists have been making so much profit - American workers create more value (and because wages have hardly risen, more surplus value) than in any other capitalist economy.

But if Americans are going to have less money to spend because they cannot increase their borrowing any more and cannot work any harder, then demand for all the goods that they buy in the shops and demand for all services they pay for in restaurants, home maintenance, travelling etc is



going to slow down sharply. That means profits will no longer go on rising at such huge rates and may even start to fall by the end of next year.

It may well be that economic growth in the US will stagger on at a 2% rate for a few more years. This is less than the growth rate of 3% that would be necessary to sustain the relatively low unemployment that the US has at the moment. Thus, as we already see in the UK, where unemployment is already at a six-year high (even if it is still low by the standards of the 1970s), unemployment in the US will rise over the next few years.

The cycles of boom and slump in capitalism have not disappeared. They seem to operate on a 9-10 year cycle. There was a worldwide economic recession or slump in 1980-2. Then the world capitalist economy recovered and an economic boom ensued (with a slight 'pause' in 1986-7). Finally, capitalism fell back into recession in 1990-2, about 9-10 years since the previous slump. Again capitalism recovered and a new boom ensued (again with a bit of pause in 1994). It culminated in another recession (this time relatively mild) in 2001.

Serious Slump in Prospect

Once more, capitalism took another breath of life and began a new 'boom' (although this is one of the weakest in capitalist history). This has lasted five years so far. If the cycle of boom and slump holds, then it could continue until 2010, perhaps after a 'pause' next year.

As I have argued previously in this column, the US housing slump will

probably not reach its bottom until 2010, if previous real estate cycles in the US are anything to rely on. Also, I expect profitability will be heading to a new low by then. Everything is shaping up for a very serious slump in world capitalism by the end of this decade at the latest.

The way to test whether this is right is to monitor the growth of profits in the US, the movement of house prices, and the level of employment. Expect all to fall over the next few years. That will wipe the smile off the stock market speculators. But the biggest misery will be reserved for those who must pay for the next world economic slump in jobs and living standards - us. □

Tesco - Every Little Helps (Profits)!

When does the pay gap become a pay gulf? It increased considerably under Thatcher, Major and the Tories, of course. Shamefully it is widening under Blair.

Next, Tesco, Morrisons, Kingfisher (B&Q), and Ladbroke's were the 2nd, 3rd, 5th, 7th and 10th lowest payers respectively for the 2005 tax year.

The average Tesco worker earned £11,594 while CEO Sir Terry Leahy was paid over £5 million, and a part time chair over £500,000, with their board among the top ten earners. No wonder Tesco just broke over £1 billion profit in the last 6 months! □

Venezuelan Presidential Elections: A Crucial Turning Point for the Revolution

By Jorge Martin

The campaign for Venezuela's presidential election on December 3rd is already well under way. But this is far from a normal election. On December 3rd what is really at stake is the future of the Bolivarian Revolution.

Having been soundly defeated on a number of occasions, the opposition (i.e. the oligarchy) became demoralised, divided, and lost the capacity it had had to mobilise hundreds of thousands amongst the middle classes of the East of Caracas. The defeats of the attempted coups also meant that the most reactionary sections of the Armed Forces purged themselves out of the Army. At the same time these events strengthened the confidence of the masses in their own forces and their resolve to defend the revolution. This left the oligarchy, in the short term, unable to carry out a new coup attempt.

But it would be a dangerous mistake to think that they have reconciled themselves to the idea of acting only within the limits of parliamentary democracy. Their aim is to get rid of Chavez and to smash the revolutionary movement and spirit of the masses. And they know very well that, for now, they cannot achieve this in a clean election contest. In this field they have been also soundly beaten, in the recall referendum in August 2004, in the state governor elections in October 2004 (where they only won in 2 of the country's 23 states) and then in the council elections in 2005 (where they only won about 25% of local councils).

Even though they might be forced to participate in electoral contests, for lack of a better plan, this is just a tactical move. At the time of the recall referendum in August 2004, they tried to cry "fraud" in order to "justify" an international intervention.

In the National Assembly elections of 2005, the tactic used was different. The opposition pulled out at the last minute complaining about lack of trans-



parency. This was a clear signal that the Venezuelan capitalist class is not interested in parliamentary democracy, since it does not produce the results they want.

This time round, the opposition seems to be using a combination of both tactics. First of all they managed to rally behind a united candidate (quite an achievement), Manuel Rosales, the current opposition governor of the oil rich state of Zulia on the border with Colombia. Rosales represents a more shrewd type of opposition politician. Rather than opposing frontally the extremely popular social programmes of the Chavez government (the Misiones), he has introduced copycat versions of those in Zulia under a different name (and without the revolutionary element of self-organisation of the masses that many of the misiones contain). In his election campaign he has declared that he will keep the misiones if he is elected. In fact, he has made some many promises of social assistance that he is the genuine populist candidate in this election!

The opposition is still making a lot of noise about irregularities in the electoral register, about the unsafe nature of electronic voting machines, etc. But Rosales has promised to stay in the race until the end and not to withdraw. Through their control of private mass media they are moulding public opinion to the idea that Chavez's lead is being

reduced and that the gap between him and Rosales is closing. As we get close to election day, they can very easily produce opinion polls "showing" that this is a very close race, that both candidates have more or less the same voting intentions, ... and then when the results show Chavez winning by a comfortable margin to organise a campaign saying there has been fraud, appealing to the armed forces and the "international community" to intervene, etc.

While the opposition is relatively weak, one of the main dangers for the Bolivarian revolution comes from within. There is a whole layer of officials in the state apparatus and in the structures of the Bolivarian movement who are preventing the revolution from going forward and being completed. Chavez himself is very much aware of this, and in a recent interview he warned that this is now the main threat facing the revolution:

The Threat from Within

"The main threat is within. There is a constant bureaucratic counter-revolution. I am an enemy on a daily basis. I have to walk around with a whip, because I am being attacked from all sides by this enemy, the old bureaucracy and a new one which resists change. So much so that I have to be constantly on guard when I give an instruction, and follow it up so that it is not stopped, or diverted, or minimised by this bureaucratic counter-revolution which exists within the state. This would be one of the elements of the new phase that we are entering: the transformation of the State."

This raises two different problems which are linked. On the one hand the Venezuelan state apparatus is still the same capitalist state apparatus of the IV Republic. A whole number of activists who come from the revolutionary movement now occupy positions in Ministries and institutions, but the basic

structures and most of the personnel are still the same. This means that there is constant sabotage of decisions taken by the government or the different ministers. When rank and file organisations have to deal with state institutions they find themselves blocked at all levels by functionaries who have been in those positions for 10, 15, 20 years, who are there clearly to serve the interests of the ruling class.

One of the main lessons Marx and Engels drew from the experience of the Paris Commune, is that "the working class cannot simply lay hold of ready-made state machinery, and wield it for its own purposes." (The Civil War in France). The experience of the Bolivarian revolution over the last few years is a damning confirmation of this idea, and there is a growing discontent within the revolutionary movement with this state of affairs.

The way Chavez has dealt with this so far has been by trying to by-pass to a certain extent existing institutions while creating others. For instance the social plans in the fields of education, health and others (misiones) were actually not implemented through the Ministries of Health and Education, but rather directly into the communities. The problem is that, lacking a proper structure of control and accountability on the part of the workers and the communities themselves, bureaucracy has also reproduced in many of these new institutions. The problem is therefore not only the old bureaucracy of the IV Republic, but also this new bureaucracy of which Chavez talks, which disguises itself as "Bolivarian" but in reality is playing a counter-revolutionary role.

The latest attempt to deal with this problem is the creation of Communal Councils. These bodies are based on mass assemblies of 200 to 400 families in urban areas and they have the power to elect and recall community spokespersons. Communal Councils (of which there are now thousands across the country) are also supposed to get direct funding from the state in order to deal with issues in the areas where they operate. This, potentially, could be the basis for a new form of state, one which is firmly under the control of working people. The problem arises when these councils co-exist with the present state apparatus, are not part of a nation-wide centralised structure (and

therefore their real power is limited) and with the fact that Venezuela still has a capitalist economy (so these councils cannot really plan or manage the economy in their areas). Unless the current state apparatus is destroyed and replaced by a new form of state, one based on elected and recallable delegates from factories, workplaces, communities, etc. the problem of bureaucracy will reproduce itself once and again.

Reformists and bureaucrats

The other side of the problem is that of the reformist and bureaucratic sections of the Bolivarian movement. Those who reluctantly accept Chavez's attacks on capitalism and his appeals for socialism, but who in reality are basically social democrats, who think that the revolution has already gone far enough, and above all, that one must respect private property of the means of production.

The division between left and right at all levels of the Bolivarian movement is sharpening. A whole number of recent incidents are an indication of this. At the end of August we saw the polemic between Caracas Mayor Juan Barreto and Vice-president Jose V Rangel over the expropriation of two golf courses in the East of Caracas. This was significant because it was the first time that there was an open split in the Bolivarian leadership on political issues. And the demarcation lines were clear: Rangel argued that "in no way do we accept violating the right of property, as it is described in the constitution", while Barreto answered that if "we keep silent", in order not to "scare off a part of the middle class" this will "demoralise our people".

The Bolivarian masses are clearly becoming impatient when they see that



after more than 7 years of the revolutionary process, still the majority of the people live in poverty and the progress of the revolution is being constantly stalled by bureaucrats, reformists and the fifth column. One of the places where the anger of the rank and file of the revolution has acquired an organised expression is the Andean state of Mérida, with the formation of the Front of Socialist Forces. On October 8, this coalition of rank and file revolutionary organisations, participants of the education misiones, left wing political organisations, trade unions, land reform committees, etc. called a demonstration under the banners of "Chavismo with Chavez", "With Chavez towards socialism" and "With Chavez without bureaucrats". Without the support of any of the official chavista parties or state institutions, the march gathered a red tide of more than 12,000 people.

Briceño, a spokesperson for the Front, explained "our unwavering support for our president Hugo Chávez," but added that "we are sick and tired of false leaders who take their positions and forget about their responsibility towards the people, while they have lucrative appointments which allow them to buy expensive cars".

Mérida is one of the very few places where the rank and file revolutionary opposition to the bureaucracy in the Bolivarian movement has reached such an organised expression, but the attitude of the masses is similar everywhere.

The problem of bureaucracy and lack of democracy does not only exist within the state apparatus but also, and

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probably more dangerously, within the structures of the revolutionary movement itself. The main government parties (MVR, PPT, PODEMOS) are thoroughly discredited as instruments through which the rank and file can express themselves. This is made worse by the way in which candidates from the Bolivarian movement have been selected for the different elections in the last few years. Basically they have been appointed from above without any consultation to the rank and file and its organisations. The Bolivarian masses have still voted for them, but only because they were "Chavez's candidates".

In order to address this problem Chavez has now started to talk about the need for a united party of the revolution. This idea has met with a lot of support by the rank and file, which see it as a way of getting rid of the bureaucratic structures of the parties that do exist now. But the main problem remains, what will be the structure of such a party? If it is a repetition of the different organisational forms that have been used up until now (mostly top down, without any accountability), this will be a new failure. Only an organisation based on genuine democratic principles (election and right of recall of all representatives by the rank and file) can serve the needs of the Venezuelan revolutionary movement.

The struggle for workers control and a socialist economy

The bureaucracy has also been busy trying to water down and sabotage the experiences of workers' control that have developed in Venezuela since the expropriation of Venepal in January 2005.

A whole range of forces have gathered to prevent these experiences from going any further. On the one hand there are those who have argued, publicly and in private, that there should be no workers control or participation of the workers in the management of state owned companies in strategic sectors (particularly oil and energy). Workers in

both industries have responded by saying that they are very aware that these are strategic interests involved but that this is a precisely one of the main reasons why they should be under the direct control of the workers and the communities (that is, under the direct control of the Venezuelan people), and that the sabotage of PDVSA in December 2002 shows that un-elected, unaccountable managers and directors cannot be trusted to defend the interests of the country, never mind the interests of the revolution. This deliberate blocking of workers control (or as it is known in Venezuela *cogestión*) has already killed the experience of workers participation in the electrical company Cadafe, leaving behind a legacy of demoralisation and cynicism amongst trade union leaders there.

There are those who argue, incredibly, that the workers of Venezuela have neither the political level of consciousness, nor the cultural level, to implement workers control, and therefore that this is a discussion for the long distant future. This idea was put forward for instance by Jacobo Torres, from the Bolivarian Workers' Front (one of the tendencies within the UNT), at a meeting organised by the British TUC in Brighton. He added that "regardless of what some have been saying" there is "no workers control in Venezuela" and "least of all in the basic industries in Guayana". This flies in the face of reality. In the state owned steel mill Alcasa, in Guayana, the workers elect the different managers of the company, these are subject to the right of recall by the

workers and do not receive a higher wage than what they had before. If this is not workers' control, whatever the name it takes in Venezuela, what is it? Not only this, but both in the case of Alcasa, and in the case of the oil workers' during the lock out, Venezuelan workers have given enough proof that they have the necessary political and cultural level to exercise workers control.

The political position put forward by Torres and others in the Bolivarian and trade union movement, is just a rehash of the old Stalinist two-stage theory, which argued that revolution should be clearly divided into two stages: first the struggle for national liberation and democracy, and second, in the long and distant future, the struggle for socialism. The problem proponents of this theory have is that Chavez has clearly stated that the aim is socialism and the debate is open in the revolutionary movement. The capitalist class of Venezuela, as we explained at the beginning, when faced with the first measures of a genuine national and democratic revolution (not a socialist one), decided to organise an armed uprising! What clearer example do you want of the fact that one cannot separate one from the other. As soon as you start carrying out, in a serious fashion, the tasks of the national democratic revolution, you are faced with the simple fact that the enemy you are facing is not only imperialism, but also the local owners of banks, land and industry, that is, the capitalist class.

But the development of workers' control has not only been stopped by the sabotage of the bureaucracy and the reformists. Unfortunately, the main factor has been the inaction of the trade union leaders. On a number of occasions Chavez has made an open appeal for workers to take over factories where the employers have sabotaged production. He even went as far as drawing up a list of 700 companies that were paralysed and another 500 that were semi-paralysed and made an appeal for workers to occupy them. What did the UNT lead-



ership do? Instead of taking up the call and organising the workers in different regions to actually occupy these factories and demand the state to expropriate them under workers control, they basically did not do anything. Even former Minister of Labour, M. Cristina Iglesias, publicly criticised UNT leaders for their inaction on this front! Some will argue that, after all, Chavez was only calling on workers to occupy factories that had already been abandoned by their owners, and that this is not a socialist measure at all. Strictly speaking this is true. But just imagine the impact of workers occupying 700, or even 100 factories and demanding expropriation under workers control, and then these factories being expropriated by the government. This would have seriously put the debate about workers control in private and state owned industry, and the need for democratic planning of the economy, at the top of the agenda for the workers' movement. In fact, already now, many conflicts over wages and conditions, end up with the workers discussing the issue of occupation and of expropriation (as in the case of Sanitarios Maracay). In a revolutionary situation like in Venezuela there would be no Chinese wall separating bankrupt companies from active ones which are attacking workers rights and conditions, nor any division between private and state owned enterprises.

The Trade Unions

Some in the UNT leadership (as we have seen in the case of Jacobo Torres) are actually opposed to workers' control (or at least they are opposed to workers' control being posed now, as opposed to in the long and distant future). But what is more worrying is the attitude of some of those in the left wing of the UNT leadership who have not taken this issue seriously. For instance, leading members of the CCURA left wing of the UNT, who are promoting the new Party of Revolution and Socialism, argued against participation in the Latin American Gathering of Worker Recovered Factories, because, they said, this was a gubernatorial meeting (a pro-government meeting). Surely, it is a good thing if the Ministry of Labour promotes such a meeting (as long as it does not try to interfere with the conclusions that the workers should draw). But even if one was in political

opposition to the organisers of the meeting, the worst thing one can do is ... abstain from it! To his credit Orlando Chirino did participate in the meeting, but most others in CCURA followed the sectarian advice of PRS leaders.

The PRS leaders have also abstained in general from participating in the movement of occupied factories, Freteco, which was only set up on February this year, and which now organises the overwhelming majority of factories under cogestión in Venezuela. The only tendency in the labour movement which proposed the setting up of such a front and has worked consistently to develop it, has been the Revolutionary Marxist Current (CMR <http://venezuela.elmilitante.org/>).

The recent National Gathering of Freteco was in this respect an indication of what is possible. The worker activists behind Freteco, starting with those leading the experience of workers' control at Inveval in Los Teques, have had to resist enormous pressure on the part of the state bureaucracy to water down the content of their struggle, and more recently to put an end to workers' control altogether.

This is still a young movement learning from its own mistakes. This was the case for instance at Invepal, the paper mill in Morón. Here the workers decided to disband the union after the expropriation. They felt that since they were in control now and elected the directors, they did not need one. This was a serious mistake, and the newly elected directors moved away from the original aims of the struggle. But the most important point is that finally, in October 2005, a mass workers' meeting decided to remove them and elect a new team. This was not negative, but on the contrary, as the workers explain, it shows how workers' democracy, accountability and the right of recall are the only genuine weapons against bureaucracy.

Because of the existence of a body like Freteco, the workers involved in this struggle, apart from giving each other elementary solidarity, have also been able to discuss their experiences and to generalise their conclusions. If an organisation like this (based on elected delegates at each factory) existed for the whole of the revolutionary movement, that would be a major step forward.

The workers at Inveval and Invepal, and other occupied factories, despite all

difficulties, show that workers are perfectly capable of running industry in a democratic way. But they are also very conscious that they cannot remain small islands of socialism within a sea of capitalism, and that their struggle is only a part of the general struggle for the expropriation of the capitalist class as a whole and the running of the Venezuelan economy under a democratic plan of production.

The Venezuelan economy remains a capitalist economy. Key sectors remain in private hands and some of them in the hands of multinational companies. This is the case with the banking sector for instance (in the hands of two Spanish based multinationals), telecommunications, the distribution of food, the mass media, etc. These capitalists have shown once again their irreconcilable opposition to the Bolivarian revolution, even though this has not so far threatened the private ownership of the means of production directly.

The issue of who controls the economy must be resolved in the next stage of the revolution. These levers of economic power cannot be left in the hands of the counter-revolution, which will not hesitate in using them to smash the revolution, when it feels the time is right.

Turning Point for Revolution

Thus, summarising, we can say that the December 3rd elections are a crucial turning point for the Venezuelan revolution. The masses will mobilise to achieve a resounding victory on December 3rd, but after that they will expect, and demand, solutions to these crucial problems: the state and the bureaucracy, the democratic organisation of the revolutionary movement and above all the question of the economy.

In these conditions, the ideas of Marxism which are already being widely discussed in the movement, will find an even keener audience.

The Venezuelan revolution can only solve these contradictions by decisively moving in the direction of socialism, that is, a nationalised and democratically planned economy and a genuine workers' state based on elected recallable delegates at all levels.

This would have a massive impact in the already fertile ground of revolutionary Latin America and open the doors for continent-wide revolution. □

Correa, Noboa and the Ecuador Elections

By Tony McKenna

Rafael Correa is an independent candidate on the left who has reached the second round in the electoral race in Ecuador. He wishes to overhaul contracts with foreign oil firms so as to give the country a greater percentage of the revenue it receives from the exploitation of its reserves. He wishes to fund social programmes within Ecuador for the poor majority. He wishes to improve healthcare and education and give more people a better access to those things.

The political journalist Kimito Lucas talks about the momentum the Correa campaign has enjoyed - 'Correa has surged ahead in the last 35 days from a mere nine percent in the polls.' The last Cedators' poll found that Correa had 37% of electoral support, his closest rival commanding only 21%. Lucas explains that this is partly due 'to his announcement that he would not present candidates to the congress.....his harsh criticism of the legislature is in line with public opinion.' According to Lucas and co the popularity of Correa is but an unhappy coincidence - the meeting between the battle happy rhetoric of the radical and the incoherent frustration seething at the heart of the popular mass. But the hatred Correa displays toward the congress is not empty political phrase mongering but instead rooted in objective experience. Correa worked as minister of economics for three months during which time he battled to fund social programmes for the poor of the country by using money which would have otherwise been sent to the USA in order to pay the international debt. These efforts were blocked. The congress, though hardly representative of the population in general was representative of the Ecuadorian bourgeoisie in particular. The bourgeoisie of a third world country tends to have an especially vile character. Their success is measured by their ability to make contacts abroad in the bigger imperial nations, to discard a sense of provinciality by sending their children to the most prestigious American universities, to mask that third world stench with the aroma of freshly printed dollars and pristine Swiss finishing schools. And what is gained from such international experi-

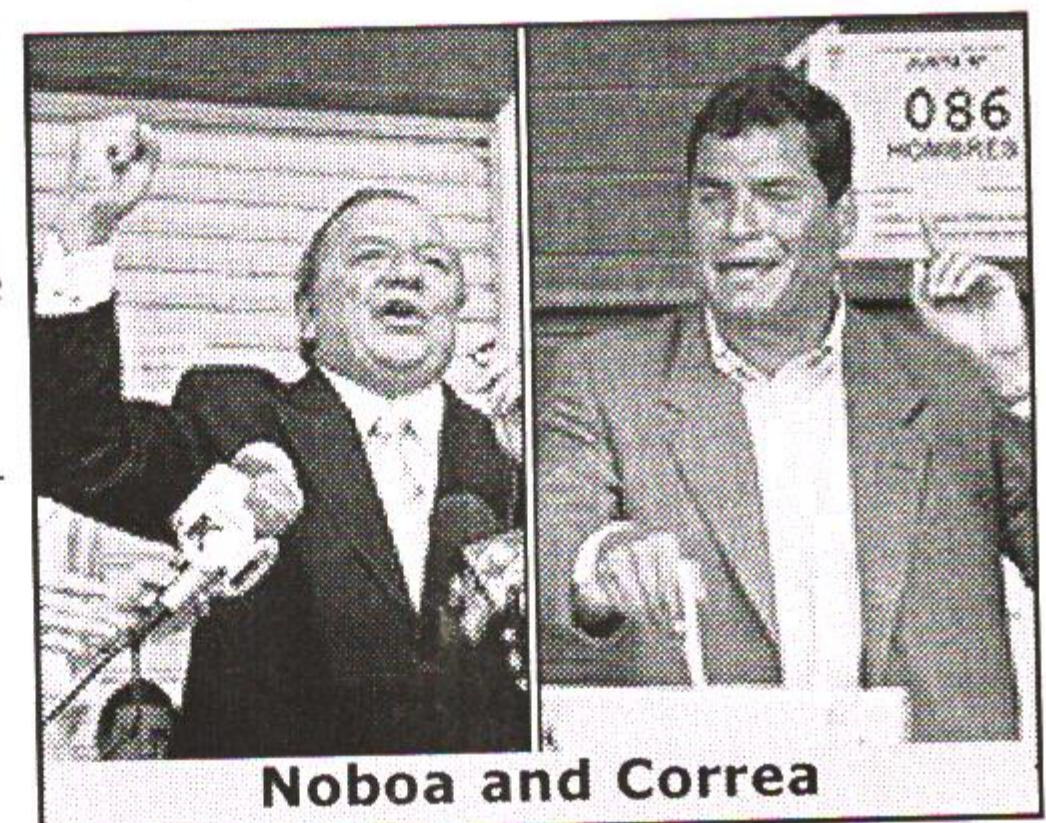
ence and education? Invariably a degree in business or management or some other thing which will better allow them to speak the language of Wall Street, to return home and extract profit from the country alongside their imperialist colleagues - done under the guise of productivity and free trade of course. The same tendency receives acute expression on a psychological level - many wealthy Ecuadorians try and appear as western as possible, to deny any indigenous lineage and thus retain a distance from the savage and barbarous poverty to which they subject their own people; a poverty which can be seen so clearly in the haunted faces staring out from a realm beyond the tinted windows of a high powered Mercedes. It can be said that the Ecuadorian bourgeoisie quite naturally despises Ecuador.

Political character

That Rafael Correa is unlike this is apparent. Although he studied abroad his internationalism is of an entirely different type. In Ecuador he spent time working with the poor and learning fluently an indigenous language. By becoming positively involved with the life processes of the country and the struggles of the vast majority of the people his political character has been filled with the very content the Ecuadorian bourgeoisie as a whole lacks, and thus he appears to it as repellent. In the 3 months he spent as minister of Economics Correa's endeavours to help improve the lot of the poor were defeated. Correa learnt from this not just that Congress was a tricky and difficult body which must be handled delicately with a politicians' deft touch, but moreover that its very nature stood in contradiction to the forces which inspired his own political life. He resigned. There was nothing else to be done. But it is worth noting that at the time of his resignation a public opinion poll showed Correa to be 'the most popular Minister of Palacio's administration', with a level of credibility of 57.4 per cent, almost 20 points higher than the President himself. These figures show the support that Correa's economic policy aroused among social

organizations, the public sector, and unions. The forces of privilege seemed deaf to Correa's requests via the Congress but the powers operating in and through the general population were just beginning to prick up their ears.

Correa now proposes the closing of 'the sewer' (congress) and intends to replace it with a constitutional assembly. He is being carried forward by a mass movement. Reacting savagely, those elements which have only ever known comfort and position are mobilising the media into launching a venomous campaign against someone who is fighting to ease poverty in a country where more than half the population are desperately poor. Those elements now find their perfect representation in the figure of Alvaro Noboa. Billionaire Noboa, the richest person in Ecuador, has emerged as the champion of the privileged. A little history is required to give some indication of who this person is. In 2002 people that worked on Noboa's banana plantations formed a union. Often these people worked for in excess of 15 hours per day, 7 days a week, they lived in squalid and cramped conditions and for this they received a wage of \$40. They formed a union and attempted to proceed via the courts and ensure that Noboa would increase the wage such that it met with the legal minimum. Many of these workers were malnourished and requested basic health care as well. Billionaire Noboa, despite having accumulated more money than one human being could ever spend, had no intentions of alleviating the misery of the thousands of lives that produced his wealth, not even for a moment. He did not grant them a cent. He fired the



Noboa and Correa

unionists. In response there was a widespread strike across one of his larger plants. Noboa hired 400 armed security men to go in and break the strike by beating those miserable people and in some cases even shooting them. Many were dragged from their homes in the dead of night, their possessions smashed and stolen - because the homes, as well as the lives, were the property of Billionaire Noboa.

And now Billionaire Noboa walks through the bright sunlight in one of Ecuador's poorest areas. He is surrounded by large bodyguards in black suits in some of the poorest areas of Ecuador. He is there to hand out trinkets. He wants the people to know that he cares and that they should vote for him. The camera records his progress as he campaigns. He is short, stumpy and fat. When he speaks he gesticulates wildly with his arms, sometimes he even jumps about, his lumpy body wobbling furiously with the excitement of it all. He sports a T-shirt which reads 'God's messenger'. His overall appearance is one of grotesque comedy - he is loud, brash almost obscene. He sweats profusely and then grins some more. When he is really amused he laughs out loud only it isn't a laugh but more of a cackle. Billionaire Noboa produces a distasteful first impression. But it is hard to equate this ridiculous figure with the man who is plugged into the lives of countless thousands - the man who absorbs their energy and dignity leaving them with next to nothing except the interminable cycle of sleep, heat, work and illness. When his dying father asked a younger Alvaro

what he most wanted, soon to be Billionaire Noboa replied - 'the company'. After the death of his father he fought for 'the company' tooth and nail in a 9 year war with his siblings. In his personal relations as with his professional ones 'the company' is never far from the forefront of his consciousness.

Billionaire Noboa in the course of his campaign can be seen giving medical supplies and resources to some of the poorest areas. 'God's messenger' is here applying a less than holy idea - Billionaire Noboa wants to become President Noboa - the logic with which the company is run must simply be extended to the country as a whole and it is summed up in this sacred principle - invest as much money as is needed to ensure the greatest returns. A computer for a school here and a wheelchair there will see that the desperate are convinced of the saintliness of 'God's messenger', this in turn will ensure a country in which Billionaire Noboa is president and 'the company' is king.

A Disneyland for Wealthy Investors

And what a country! Noboa openly admits his desire to wage a war on unions considering them to be an attack on the freedom and rights of the individual. In a way he has a point. Unions do inhibit his freedom to get the maximum returns for his investment; they do make it more difficult to squeeze the workforce of every last particle of labour power. A country which is presided over by Billionaire

Noboa will become a Disneyland for wealthy investors and a hell on earth for workers who have very few rights as it is. The first thing Billionaire Noboa wishes to do is to ratify a free trade treaty with the United States. And why not. After all he lives there. Billionaire Noboa lives in a street in the US alongside some other billionaire kindred spirits. It's a nice neighbourhood and he likes it there. He doesn't have to walk around with his team of bodyguards and it all feels so much more civilised.

And so the 2006 Ecuadorian Election sees the conflict between two personalities - each representing a very different social power. The conflict between these is more generally the conflict which is taking place throughout Latin America, a conflict between labour and capital intensified by the huge sums of investment poured in and vast amounts of wealth and resources drawn out by the rich investors in Latin America and the first world operating in tandem. When Correa seeks to disband the congress because of its corruption he is carrying through the very early and semi conscious efforts of labour to strike out at an institution which exists as a means to perpetuate the rule of one group over another. The privileged feel this profoundly, they sense the cracking of the ice beneath their feet. And so Correa must be stopped at all costs. If he does win the election expect them to gather their forces and try to keep him from power by any illegal means possible. Expect a powerful response from the forces below as well. □

Ted Grant Commemoration Appeal

At commemoration meetings in Newcastle and Scotland last month a further £400 was raised for the fund we have launched to publish Ted Grant's writings in many different languages and to promote the ideas that Ted fought for all his life around the world. If you have not contributed yet, there's still time, just fill in the form below and return it to us

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USA: Teamsters at the Crossroads

by James Holt - www.socialistappeal.org

With its 1.4 million members, the International Brotherhood of Teamsters could well be America's strongest union. This fall, Teamster members will be able to vote for either Jimmy Hoffa Jr., current president of the Teamsters, or Tom Leedham, president of Local 206 in Portland, Oregon. While Hoffa has been negotiating sell-out contracts, Leedham has campaigned on the principle that the Teamsters should put up a fight so as to avoid losing ground and actually make gains. The election of Tom Leedham would be a victory for the rank-and-file that could potentially translate into mobilizing the more militant elements of the Union.

The Teamsters Union was formed in Niagara Falls in August 1903. Most of the members at that time drove teams of horses, but in just a few years most were driving trucks. In 1907, Daniel J. Tobin, a conservative anti-strike man, was elected general secretary of the union, a post he would hold for the next 45 years. His anti-communist policies and close connection with the Democratic Party would affect the development of the union for decades.

In its early days, the Teamsters were quite progressive and one of the first unions to organize women.

The Great Depression hit the Teamsters hard, as it did the rest of the working class, but it also showed the power of a union. The 1934 strike in Minneapolis is probably the best example of the working class using its power in America. Local 574 only had 75 members in 1934, but with the leadership of Ray Dunne, his brothers Miles and Grant, Carl Skoglund and Farrell Dobbs, all members of the Communist League of America, they were able to organize and lead a successful strike.

In 1934, Minneapolis was under the control of the Citizens' Alliance, a reactionary organization of the employers who operated an open shop citadel. The strike began on May 16th and lasted until May 25th when an agreement was reached between the employers and the union. The employers soon reneged on many of their promises, and the strike resumed on July 17th. Bloody Friday, July 20, which saw the police opening fire on unarmed pickets, killing two, and injuring more than 50,

sparked a show of support for the strikers and caused the governor of Minnesota to declare martial law. August saw the arrest of many of the strike leaders and their subsequent release when the union was able to prove the charges were false.

In the aftermath, Minneapolis was turned from an anti-union town into a pro-union town with thousands of people being organized. This and other events forced the Roosevelt White House to initiate reform measures, because it feared that what happened in Minneapolis could spread across the country.

Bankruptcy of Leaders

After World War II, the Teamsters greatly expanded, reaching a million members in 1949. Jimmy Hoffa Sr. played an instrumental role in this. He was able to unify a single collective bargaining agreement for all freight drivers in 1964. However, at the same time, Hoffa was using assets from the Teamsters' pension plan to support mafia projects, such as the development of Las Vegas. He was eventually found guilty of witness-tampering and sent to prison in 1967. His successor, Frank Fitzsimmons, was just as involved with the mafia, a tradition that has continued for a long time, showing just how bankrupt the Old Guard leadership really is. In 1980 the "Teamsters for a Democratic Union" (TDU), was formed. Its purpose was to return the union back to the membership. The TDU led a fight throughout the 1980s to give the rank-and-file the right to vote for top officials. On March 13, 1989, that long-overdue right was won. Ron Carey, the militant president of local 804 in New York, won the support of the TDU for president of the Teamsters, although Carey was not a TDU member himself.

On December 13, 1991, despite 95 percent of the Teamster officials lining up for Old Guard candidates, Carey and all 16 members of his slate were elected. This marked a huge victory for the rank-and-file, finally wresting power from the Old Guard, and the results would soon show. Carey sold the Teamster luxury jets, cut his own salary

by \$75,000, started the first successful organizing drive in decades, organizing 20 overnight terminals in the freight industry, and led the incredibly successful 1997 strike against UPS, the first major victory for American labor in decades.

In 1996, Carey beat Hoffa Jr. for Teamsters president. But a year later, he was disqualified from running for president by the U.S. Government, based on dubious accusations of fraud which were later proven to be entirely false. Unfortunately, the TDU leadership at that time did not mobilize to defend Ron Carey and the Teamster membership's democratic right to select their own leaders from this employer / government attack.

Jimmy Hoffa Jr., a lawyer with absolutely no prior experience as a Teamster or union leader, has basically held power because of his famous name and a huge Public Relations drive. During his seven years as Teamster president, the highest dues increase has been introduced without a vote from the rank-and-file, and membership has declined by 150,000. The number of union officials holding more than one job within the union, and thereby receiving multiple salaries, has gone up from 16 when Hoffa took office, to 163 today.

In addition, hundreds of thousands of Teamsters have had their pensions and benefits cut, organizing is almost non-existent, and illegal money allegations against Hoffa and his cronies are rampant, among many other things. Hoffa's policies, not to mention the unsavory characters that follow him, are a detriment to all working people and a threat to the rights of union members across the country.

Tom Leedham has been a working Teamster and officer for more than 20 years and is the principal officer of local 206 in Portland, Oregon. Leedham was Carey's Vice President in the 90s, including during the watershed UPS strike. This is the third time he has run against Hoffa for Teamsters president, and he is running on the slate for "Strong Contracts and Good Pensions". Most importantly, he has outlined an entirely different strategic approach to building Teamsters power as compared

to Hoffa's line of march.

Hoffa has pursued the failed policy of seeing organized labor as being in a "partnership" with the bosses. In practice, the "partnership" philosophy means that if the employers insist that to stay competitive they must lower wages or layoff workers, the workers must meekly comply. Leedham, however, has indicated that he rejects this "cooperative" relationship, and advocates mobilizing the membership to go out on strike if necessary in order to avoid concessions and to win real gains (eg, against multi-tiered contracts and for better health benefits).

Leedham also advocates keeping members fully informed about each stage of contract negotiations, especially with UPS, as opposed to Hoffa who made back room deals with UPS and kept the members in the dark. Moreover, Leedham supports using working Teamsters to organize and recruit new members, a tactic that was successfully employed by Ron Carey. After all, no one knows better about the advantages of a union than the workers themselves. He has also opposed allocating multiple salaries to union officials, a practice that has allowed many of them to become quite wealthy.

For all of these reasons, Leedham has won a significant level of support from rank-and-file members. With the lessons learned in the 90s, a militant rank-and file has the potential to generate real change as a new revolutionary period opens up on a world scale. If we want to strengthen our union, we need to end the policy of collaboration with the bosses, relying only on our own strength as workers to fight for concrete improvements in our lives. A victory for Leedham could potentially be a starting point to build a more militant union, run from the bottom up, as opposed to how it is being run today, from the top down. □

Kashmir: Protests one year after the earthquake

By Jammu Kashmir National Students' Federation

The Jammu Kashmir National Students' Federation (the JKNSF), a Marxist organization of students in Kashmir, organized protests against the Earthquake Rehabilitation and Reconstruction Authority (ERRA) for its brutal policies towards the people affected by last years' earthquake.

The largest demonstration was in Muzaffarabad, the capital of Pakistani-held Kashmir. Demonstrators were holding red flags and were chanting slogans for the emancipation of the working class and against the ERRA.

After passing along Bank Road, the procession became a mass meeting in Aziz Chowk. JKNSF Vice President, Haider Kazmi, the leader of the post-graduate college students, Sajjad Ahmed, and other speakers addressed the meeting. They explained that the ERRA brutally oppresses the people of Kashmir and that the people affected by the earthquake are being ridiculed in the name of rehabilitation. They also demanded the restoration of the rights of students. The speakers announced that students and workers in Kashmir were demonstrating in all seven districts of the country against the ERRA.

Another big demonstration was held in Rawalakot. After marching around the city a mass meeting was held at Kutchehri Chowk. The speakers explained that one year after the earthquake the government was still making promises and delivering nothing. The rulers of the country have collected funds from all over the world and are now using those funds for their own entertainment. The harsh winter of Kashmir is fast approaching, however the people affected by the earthquake are still homeless. The speakers demanded the following:

- All funds should be dispensed as soon as possible and all the affected people should be provided with shelter before the winter.
- The ERRA should be abolished and committees comprised of local people should do the work of rehabilitation.
- New hospitals with modern equipment should be built immediately.
- Committees comprised of teachers and parents should build schools and colleges.
- Students should be provided with all books free of cost.
- Transport and accommodation should be provided to all students or an allowance for these facilities should be provided.
- The unemployed should be given an allowance of 5000 rupees per month.
- The homeless should be given 10,000 rupees allowance for rent.
- Geological reports of all areas should be made public.
- People living in dangerous areas should be given homes in safe areas.
- Utility bills should be abolished
- The price of cement, iron and other construction materials should be reduced to half.
- A 25% earthquake tax should be implemented on the profits of all multinational companies.
- Wages should be linked to inflation and the minimum salary should be 7,500 rupees.
- All universities and colleges should be completed as soon as possible.

The students warned that if the above demands were ignored then they would launch a movement of workers and students against the government. A rally was also held in memory of the people that died in the earthquake. □

Sindh Teachers' Union Joins PTUDC

The Sindh Employees' Alliance, a joint body of teachers' organizations/employees representing 300,000 teachers has joined the Pakistan Trade Union Defence Campaign (PTUDC).

The text of their press release ran as follows:

"On behalf of the more than 300,000 Teachers/Employees of Sindh province, we are thankful to all the office bearers of the Pakistan Trade Union Defence Campaign, especially

Comrade Manzoor Ahmed, President of the PTUDC for the unconditional and endless support of the Sindh Employees Alliance during the struggle against unconstitutional, undemocratic and unilateral ban on Teachers Associations/ Employees associations under the administrative control of the Education & Literacy Department, Govt. of Sindh. "We hereby unanimously announce the unconditional support of the Sindh Employees' for the PTUDC for common cause and struggle for the dignity of labourers/ workers/ teachers/employees and other classes of society in Pakistan."

Resistance is Growing to Nato's War on the Afghan People

by Lal Khan

The escalating insurgency in Afghanistan is raising the spectre of another humiliating defeat for western imperialism in this region. The imperialist stooges, Musharraf and Karzai, are involved in an unprecedented mudslinging and diplomatic row, in the blame game for this defeat on the horizon. Musharraf accused Hamid Karzai of being like an ostrich at a bad tempered summit in Washington on September 27th.

The imperialists are facing the worst crisis diplomatically and militarily since the US invasion of Iraq in 2001. The Americans are trying to pull out their forces from Afghanistan and pressuring other NATO countries to fight this ferocious war. In the last eight months NATO forces have suffered more casualties than in all those preceding years of imperialist occupation. In the shadows of imperialist bayonets the social, political and economic situation has rapidly deteriorated. The social fabric is in pieces and criminal warlords rule in their fiefdoms. The writ of the Karzai puppet regime is limited to some parts of Kabul. In the border tribal areas between Pakistan and Afghanistan, the Pakistani army has lost more than 500 personnel. The imperialists are pressuring the Musharraf regime to "do more" to curb the insurgency, but the more he tries "to do it" the more military casualties he suffers and the greater become the pressure and backlash within the army against Musharraf's policies of implementing the dictates of imperialism.

In spite of Musharraf's denials, the western accusations of the ISI's clandestine and logistical support for the Taliban are not unfounded. In a recent Interview with Amy Goodman of Democracy Now the veteran journalist Robert Fisk gave the following analysis of this nexus:

"...you see, from my point of view, I think there is a Muslim nation, which is extremely dangerous to the West, which is packed with Taliban and al-Qaeda supporters and which does have a bomb, and it's called Pakistan. And

that's the real crisis (...)And I think Pakistan is the story. I think Pakistan is a very dangerous place. I think Pervez Musharraf is playing this balancing game between the military and the ISI, the Intelligence Services, and the Taliban supporters and the large number of extreme Sunni groups in Balujistan and other parts of the Northwest Territories. (...)

"But the fact is, he knows that the Pakistani ISI, the Inter-Services Intelligence, is giving intelligence and money to the Taliban. I mean, the Taliban, around Kandahar Province now, are rich with cash. (...)

"But, of course, this is a subject which is not going to be discussed upfront between the Americans and Musharraf, because he's our friend in the war on terror. That's part of the scenery, and you mustn't sort of strip any wallpaper off, because you might not know -- you don't know what you're going to find behind it, do you?"

Islamic Fundamentalism

Although Mr. Fisk has exaggerated the support for the Taliban and Al Qaeda within Pakistani society, the connection is very much there between sections of the Pakistani army and these Islamic fundamentalist elements. The reactionary insurgency against the left wing PDPA government in Afghanistan was launched in the late 1970s and was sustained throughout the 1980s by the ISI at the behest of US imperialism. The ISI and the CIA organized a whole network of opium production, refinement into heroin and smuggling operations to finance this counter-revolutionary insurgency.

Financing such insurgencies and other operations through the drug trade and other criminal activities is not a new policy of imperialist aggression. During the opium wars of the nineteenth century in China, Marx had written the following about the opium trade of British Imperialism: "British cannons [forcing] opium upon China is the grossest marriage of violence with Free

Trade." It behoves the policymakers and strategists of imperialist domination to overcome the historical amnesia about how this began.

Both the colonial French before 1954, and the Americans who followed them, paid mercenary tribesmen in the wars in Vietnam and Laos with profits from drugs. The drugs were cultivated, often under official protection, and moved to markets by aircrafts chartered by the American CIA in the 1960s and early 1970s.

Former French intelligence boss Alexander de Marenches recounted in his memoirs how he suggested to President Ronald Regan and CIA chief William Casey in 1980 that the US led coalition should plant drugs amongst Soviet forces in Afghanistan to weaken them. Mr. De Marenches said both liked the idea. This happened while Mrs. Nancy Regan was leading a "just say no to drugs" campaign in the US.

But the dominant factor of this drug trade was to finance the Islamic "Jihad" against the "infidel" communist government in Kabul. We have seen similar examples in US operations throughout Latin America, the most prominent episode being the Contra scandal in Nicaragua in 1980. Here money from the smuggling of cocaine was being used to finance the Contra guerrillas by the CIA to fight a similar counter-revolutionary insurgency against the left-wing Sandinista government in Managua.

During the 1979-89 war in Afghanistan drug addiction soared among Afghans and Pakistanis who were exposed to the wartime growth in drug production which had been encouraged by the CIA to pay for weapons and wages of the Mujahideen.

During these almost three decades the network of drug production developed and now it dominates the state and political superstructures of Afghanistan and Pakistan. After the West abandoned the Afghans to ethnic and tribal warfare and eventual Taliban rule, this mafia network was not dismantled and continued to flourish

under different regimes and in different forms.

The massive profits from this drug trading were creamed off by some of the institutions of the state involved in this racket. In reality they have consolidated their network. As opium and heroin amounts to about 80% of Afghanistan's economy most feuds and conflicts, both political and tribal, are over this booty.

Antonio Maria Costa, who directs the UN anti-crime and anti-narcotics agency UNDOC, has just provided stark details in a new UN report. Opium poppy cultivation processing and transport has become Afghanistan's top employer, its main source of capital and the principal base of its economy.

NATO forces are taking heavy losses fighting the insurgency in the South, especially in Helmand province, the source of the lion's share of opium. The report says the drug culture fostered by Afghan authorities is turning Afghanistan into a narco-state.

Opium production has grown in 2006 by 49% over 2005, areas under poppy cultivation by 59%. The predicted 2006 crop is 6,100 tons. Afghanistan now supplies 92% of the world's heroin.

Who is responsible for all this? The US and NATO are. After all, they own the narco-state of Afghanistan. Most of the so-called elected parliamentarians are warlords and they owe their military might and political clout to this very drugs trade which western bourgeois organizations are wailing about. The fact is, the Americans need the support of these warlords. And as they can buy them, they hire them for certain periods and operations. In doing this the Americans have to turn a blind eye to their warlord allies' drugs business.

However, the insurgency being mounted also bases itself on this drugs income. As they have been on the ground, even when the Americans had abandoned them, their cartels and networks are more organized and profitable. For example a soldier in the Afghan Army gets about \$5 a day in wages while the insurgent soldiers get \$12 a day.

Even according to the western think tanks the imperialists are losing to



resistance in Afghanistan. The European think tank, Seulis Council has just reported that the "Taliban" movement is taking back Afghanistan and now controls the country's southern half. This is an amazing departure from claims by the US and its NATO allies that they are steadily winning the war.

According to Seulis, southern Afghanistan is suffering a humanitarian crisis of starvation and poverty caused by "US-British military policies." Flatly contradicting rosy Western reports, Seulis investigators found, "US policies in Afghanistan have re-created the safe haven for terrorism that the 2001 invasion aimed to destroy."

The US and NATO have been insisting that the withdrawal of their armed forces from Afghanistan and Iraq would leave a void certain to be filled by extremists. These claims are nonsense, given that half of Afghanistan and a third of Iraq is already largely controlled by anti western resistance forces. Were it not for the massive US air power, American and NATO forces would be quickly driven from Afghanistan and Iraq.

Blair, oblivious to his own country's history of military catastrophes in Afghanistan, has hurled his soldiers into the most unforgiving terrain, against a ferocious and growing military resistance.

National Resistance

What the West calls the "Taliban" is actually a growing coalition of various political groups including nationalists, communists, socialists, Pashtun tribal warriors and Taliban factions. This is becoming a national resistance against a foreign occupation and not, as the western media is trying to portray, a

fundamentalist Taliban obscurantist movement. This is the vengeance of a people who are being introduced to the niceties of so-called "democracy", "enlightenment" and "liberal values" through the ruthless bombing of Afghanistan into the Stone Age and through the barrels of imperialist guns.

There is an ancient Hindu prayer, "Oh Lord Shiva, save us from the claw of the tiger, the fang of the cobra and the

vengeance of the Afghan." Imperialist troops are not fighting, "terrorism" in Afghanistan, as western leaders claim. They are fighting the Afghan people. Every civilian killed and every village bombed, every child and every woman desecrated will breed new enemies for Imperialism.

Afghanistan has a strong left tradition. After all the 1978 Saur (spring) revolution, in spite of its shortcomings and mistakes, was a sudden leap forward in Afghanistan's history. The most radical reforms in healthcare, education, agriculture and other areas of society were introduced. This revolution did not just shake the foundations of the old rotten society but it also endangered imperialist interests in the region. Hence, the counter-revolutionary Jihad.

Marxists had soberly and critically supported the attempt to overthrow landlordism and capitalism and had given a clear perspective for the revolution. Just a few weeks after the revolution Ted Grant wrote in the summer of 1978:

"This is the road which the 'Communist Party', which holds power together with the radical officers, will take. The opposition of the old forces in Afghanistan, as in Ethiopia, will in all probability impel them in this direction.

"If they temporise, possibly under the influence of the Russian ambassador and the Russian regime, they will prepare the way for a ferocious counter-revolution based on the threatened nobility and the mullahs. If successful, counter-revolution would restore the old regime on the bones of hundreds of thousands of peasants, the massacres of the radical officers and the near extermination of the educated elite. For the moment - until there is a movement of the only advanced class

Afghanistan/Czech Republic

which can bring a transition moving in the direction of socialism in the industrially developed countries - the most progressive development in Afghanistan seems at the present time to be the installation of proletarian Bonapartism.

"While not closing our eyes to the new contradictions this will involve, on the basis of a transitional economy of a workers' state, without workers' democracy, Marxists, in a sober fashion, will support the emergence of such a state and the further weakening not only of imperialism and capitalism but also of regimes basing themselves on the remnants of feudalism in the most backward countries." [See *The Colonial Revolution and the Deformed Workers' States*, July 1978]

These lessons have to be relearned to develop a revolutionary strategy for the struggles of the Afghan masses ahead. Today the revolution and counter-revolution in Afghanistan and Pakistan are in inextricably linked. The revolutionary traditions of Afghanistan will pass on to the new generation of workers and youth. The 1978 revolution proved one point at least, that the stage of capitalist development could be skipped in Afghanistan.

Barbarism Or Socialism

This is even truer today. Under this rotting capitalist system the only future for Afghanistan is barbarism. There are strong elements of barbarism even now in that society. It can only be averted by a socialist revolution led by a Marxist leadership and party. This would pave the way for a socialist federation of South Asia.

Afghanistan is perhaps the most striking example of a society at the crossroads between barbarism and socialism. The defeat of imperialism would not necessarily bring about fundamentalist reaction. A revolutionary movement in Pakistan and other countries of the region is also very possible and this in turn would give rise to a revolutionary wave in Afghanistan. □

Protest Against the Banning of the Communist Youth in the Czech Republic

By Czech Republic Communist Youth Union (KSM)

We are publishing an appeal issued by the Czech Communist Youth Union (KSM) after the government recently banned their organisation. We ask you to support their struggle for the basic right to exist as an organisation. Send letters of protest and make the Czech Young Communists know that workers and youth around the world support them.

"Dear Comrades, the Communist Youth Union (KSM) in the Czech Republic has been officially dissolved by the state power on October 12, 2006. On October 16, 2006 the KSM has received a letter from the Ministry of Interior of the Czech Republic that announces that the Ministry of Interior finally dissolved the KSM. It happened in spite of a large campaign against the danger of illegalization of the organization of young communists in the Czech Republic.

Thousands of citizens of the Czech Republic signed a petition against the endeavour of the Ministry of Interior to make the KSM illegal. The protest against the illegalization of the KSM was in the Czech Republic expressed for example by organization of former antifascist fighters, student organizations, political parties and civic associations. A great resistance was provoked by the endeavour of the Ministry of Interior to make the KSM illegal abroad. Hundreds of significant youth and student organizations, trade unions and political parties together with thousands of people protested at the Ministry of Interior and embassies of the Czech Republic in their countries. The solidarity with the KSM was expressed by a large number of members of parliaments, famous intellectuals and personalities like Nobel Prize winner Dario Fo, leader of Zapatistas Marcos or singer Bono from U2. Demonstrations in support of the KSM were organized in front of embassies of the Czech Republic in many countries of the world. World Federation of Democratic Youth initiated an International day of solidarity with the KSM on February 27, 2006.

"The Ministry of Interior originally impugned the status of the KSM as a civic association under pretext that the goals of KSM's activity interfered with an

area restricted to activities of political parties. The Ministry of Interior further stated that behaviour of the KSM was illegal because it was based on theoretical basis in Marx, Engels and Lenin and on proclaimed necessity of socialist revolution.

"Nevertheless, the Ministry of Interior did not use any of those arguments for the dissolution of the KSM. The only reason that has led officially to the dissolution of the KSM is that the KSM reflects in its Program the necessity of replacing of the private ownership of means of production with collective ownership of means of production.

"The KSM in spite of its official dissolution by the state power is going to carry on the struggle for the rights of majority of young people - students, young workers and unemployed - and for socialism! The KSM is going to challenge the decision of the Ministry of Interior in court. "The illegalization of the KSM was committed in the atmosphere of militant anti-communist witch-hunt, various anti-communist campaigns and attacks and new calls for the criminalization of the Communist Party of Bohemia and Moravia (KSCM). The decision of the Ministry of Interior was realized only one week before local and Senate elections in which the KSCM participates.

"Dear comrades and friends, it is necessary to stand up internationally against this illegalization and criminalization of the communist movement in the Czech Republic. We ask you therefore to express your solidarity with the KSM and to protest against this unprecedented move of the Ministry of Interior of the Czech Republic at the embassies of the Czech Republic in your countries."

We ask you simultaneously to inform us about your activities on our e-mail: international@ksm.cz or on fax: ++420 222 897 449.

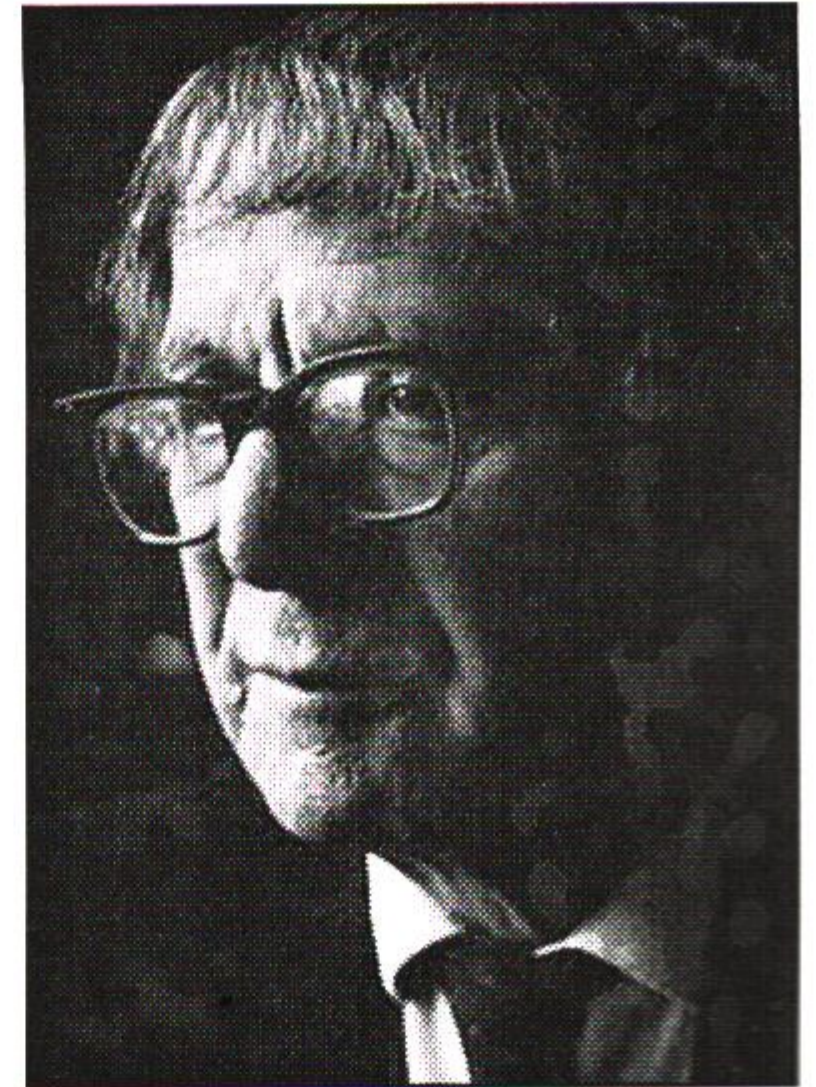
You may also sign the following petitions: <http://4ksm.kke.gr> (initiated by the Communist Party of Greece), <http://wfdy-ksm.kne.gr> (initiated by the World Federation of Democratic Youth).

Long live international solidarity!

From The Archives: An Open Letter to Members of the British Communist Party - Hungary 1956

By Ted Grant

Fifty years ago the magnificent working class of Hungary made a revolution, a political revolution, against Stalinism and for socialism. That revolution was brutally crushed by tanks sent by Moscow. Meanwhile, in Britain the Communist Party continued to defend the Russian Stalinist bureaucracy and peddle its monstrous lies that the movement in Hungary sought to reintroduce capitalism. The anniversary of these events provides us with an opportunity to republish an open letter written by Ted Grant in November of 1956 to members of the Communist Party in Britain, appealing to them in the light of the Hungarian revolution to return to the ideas and method of Lenin. In republishing this letter we commemorate the heroic struggle of the Hungarian masses, we can learn from their experience, and we can learn too from the flexible tactics of the British Trotskyists, and Ted Grant in particular, in attempting to influence the workers and youth of the Communist Party.



Comrade of the Communist Party,

You have supported the Communist Party as fighters against Capitalism-Imperialism, for its overthrow and the realisation of Socialism; a new system of society without classes or exploitation of man by man or nation by nation.

You believed that the Communist Party and present leadership represented that programme; the theory and ideas of Marx and Lenin.

Events have struck blows against that illusion. This is the programme which the Communist Party and Communist International were set up to carry out and for which the Russian workers made the October Revolution. But the Russian Revolution degenerated through the usurpation of power by the Stalin clique. All that remains of the great Russian revolution is the basic gain; the elimination of Capitalism, the state ownership of the means of production and its development on the basis of a plan.

But control was filched out of the hands of the workers and the peasants, and concentrated into the hands of the bureaucracy; the millions of officials, army officers, managers, Party and state functionaries.

Your leaders have admitted the crimes of Stalin under the impact of the Khrushchev disclosures at the 20th Congress. The lack of democracy, the national oppression of the non-Russian peoples, the terror against the working class, the exile of millions to Siberia, the dictatorship of a clique with an

unbridled secret police.

This applies and applied not only to Russia itself but to the regimes of eastern Europe, in which the masses were subjected to mismanagement and plunder, in the interests of the Russian Bureaucracy.

Your leaders pretend that these were the mistakes and crimes of one man. This is palpably false for anyone trained in the Marxist method. No dictator represents himself alone, but the interest of a class or stratum of society. Who then did Stalin represent? The workers? Obviously not. He stood, on the contrary, for the forces who carried through a political counter-revolution against the Russian masses; but a counter-revolution on the basis of state ownership; and this terror was not for Stalin's whim but in the interests of the material needs of these usurping officials. Even today your leaders are hiding the fact that the present leadership in the Soviet Union is still trampling on the programme and methods of Lenin.

Lenin's Programme

Lenin summarised his programme for workers' power and its inception as the first steps for a workers' state, in order to prepare a transition to Socialism, in four simple points:

1. The setting up of Soviets, or Committees composed of Workers, Peasants and other Representatives of the population, with free and democratic elections to them, and the right of recall.

2. No standing army but the armed people.

3. No official to receive a wage higher than that of a skilled worker.

4. Gradually all the tasks to be done in turn by the workers themselves. Every cook should be able to be Prime Minister. When everyone is a "bureaucrat" in turn no one can be a bureaucrat.

Under Khrushchev as under Stalin not a single one of these fundamental points remains in existence in Russia today. The law limiting the wage of officials has long been abolished. The difference between managers and workers is greater than in capitalist countries. The difference in wages and conditions between officers and men in the army is greater than even in the USA. Generals, officers and managers are a privileged caste separate and apart from the people. The top clique of officials under Khrushchev as under Stalin live like millionaires.

Above all, this can only be maintained by the crushing of democracy and the rights of the working class.

The achievements of industrialisation and the five-year plan (incidentally put forward by Trotsky and opposed by Stalin in the early years), demonstrating the superiority of Socialist economic methods over Capitalism, were carried through despite bureaucratic mismanagement and corruption which hamper and hold back the development of the productive forces.

But state ownership and planning, in order to function efficiently to the

Hungary 1956

maximum extent possible, require the full participation, control, check, and management of the workers and peasants, and only thus can the interests of the workers and peasants be served, and the way be prepared for the transition to Socialism and the withering away of the state. The opposite process has taken place in Russia and her satellites. In Poland, Hungary and other countries of Eastern Europe the Russian bureaucracy through its local representatives and agents oppressed the masses by the same arbitrary brutal and terroristic methods.

After more than ten years of Stalinist rule this has culminated in the uprising of the Hungarian masses. This was a magnificent, heroic national struggle comparable to the Paris Commune and the Russian Revolution itself. Now your leaders are up to their old games. They are desperately trying to deceive you by resorting to the old Stalinist lies and slanders. Yesterday they denounced Tito, Gomulka, Kostov, Rajk and Slansky as fascists, counter-revolutionaries, imperialist agents and spies. They have recently been compelled to make abject retractions, and to claim that they have been "honestly mistaken". Now they are up to their old games again. they use the unholy joy of the capitalist press at the exposure of Stalinist misdeeds and national oppression to try to confuse you. It is true that blood-stained Imperialist Capitalism has been guilty of terrible crimes against the workers and the peoples: Suez, Kenya, Cyprus and Malaya.

But they are Capitalists-Imperialists. Their system demands such measures in defence of their profits and privileges. But Socialism and workers' rule demand different methods entirely, otherwise they would not be worthy of the name of Socialism. The crimes of Stalinism under its new disguises in Russia, Poland and Hungary are similarly in defence of inequality, national oppression, bureaucracy, inefficiency, terror and indifference to the needs and aspirations of the masses.

Your leaders lied, or as they claim, were deceived in their previous vituperative attacks - can you believe them now?

All honest members of the Communist Party must ask themselves as a duty to the struggle of their class for Socialism why these events have taken place and whether their leaders

are once again "mistaken".

It is a definite lie on the part of the *Daily Worker* and the government of Janos Kadar that this was a Fascist movement, counter-revolutionary in its aims. No more than the movement in Poland was fascist. Gero and the other Stalinist bureaucrats provoked this insurrection on the part of the masses. A few stray hooligans or Fascist elements such as Joseph Dudas, whom the *Daily Worker* featured so prominently, tried to take advantage of the workers' movement but were immediately arrested and put in jail. This the *Daily Worker* has not revealed.

As always in great events, as in the Russian Revolution of 1917, these elements intervene in the movement. But the decisive section of the insurrectionary forces in Hungary were from the working class and youth, the factory workers. The elite of the Hungarian masses were and are in the van of the struggle. The amazing capacity of the Hungarian workers to fight against terrible odds is something which places them among the greatest working class fighters in history. Two general strikes and two insurrections in three weeks! Why? To restore Capitalism and Landlordism! What a dirty lie. The *Daily Worker* of 15th November gives the lie to all the propaganda of these traitors of Socialism, when they list the demands of the workers, before they agree to go back to work. Similar demands were featured by the *Daily Worker* itself as early as 27th October: the demand for a workers' National Guard, immediate negotiations for the withdrawal of Russian troops, the right to strike and free Trade Unions.

Hungarian workers' demands:

1. Workers' councils in every factory to establish workers' management and radically transform the system of State Central planning and directing.
2. Wages to be raised immediately by 10 to 15 per cent and a ceiling of about 106 fixed for the highest salaries.
3. To abolish production norms except in factories where the workers or workers' councils wish to keep them.
4. Wages and pension demands.
5. Speed up house-building.
6. Negotiate with the Soviet Union and other countries on the

principle of equality.

Instinctively the Hungarian masses have tried to adopt the programme and policy of Lenin as listed in the demands above.

To say under these conditions that they want Capitalism back is a dirty lie of hardened perverters of Socialism.

The *Daily Worker* in its desperate efforts to fool the members and supporters of the Communist Party has referred to the overthrow of the Hungarian Republic of 1919. What they forget to mention is that this Republic had the overwhelming support of the masses and could only be overthrown by the intervention of foreign troops backed by Britain and France.

Now the foreign troops used against the revolution are troops of Russia, just the opposite to events at that time. The young Hungarian Soviet Republic was overthrown by outside intervention in 1919 before it could consolidate itself. Only foreign intervention could pave the way for a struggle by the White Guards against the Russian Revolution. At this time World Imperialism is impotent to intervene and in fact would be afraid of the victory of the workers in Hungary.

Yet ten years after the revolution has been consolidated in Hungary this is the denouement. The Russian army and the puppet Government of Kadar represent Stalinist counter-revolution in Hungary. With the defeat of the Government the workers instantaneously organised revolutionary committees of workers, soldiers, students, peasants, even lawyers, so strong was the revolutionary feeling in Hungary. These revolutionary committees were Soviets, but Russian and Stalinist-Hungarian oppression has made the name Soviet stink so much that the masses called them revolutionary committees. These committees, based on the factories, regiments, etc., are the most democratic form it is possible to achieve. Yet the first act of the Kadar Government after the second treacherous intervention by Russian troops was to order the dissolution of the soldiers' committees and the appointment of "Commissars" as overlords to the workers' committees. It is significant that this too the *Daily Worker* fails to mention or explain!

The *Worker* contradicts itself when at the same time it is giving currency to the lies about Fascist and Imperialist

agents, it admits the need of basic reform in Poland and Hungary.

How could Fascist or Imperialist agents have any effect if there were not this justified discontent of the masses against Stalinist absolutism? Even if it were true, the responsibility would be on the shoulders of the Russian, Hungarian and British CP bureaucracy, which condoned and concealed these crimes. Of course, the Imperialist butchers seek to discredit the idea of Socialism by using the crimes of the so-called Communist Party.

It is surely clear that the Hungarian masses do not wish to go back to Horthyism and Capitalism. But they want to end, once and for all, the domination and bleeding of Hungary for the benefit of the Russian Bureaucracy. That is why they are demanding the publication of the pointedly secret trade treaties between the Soviet Union and Hungary. In Poland even Gomulka, under the pressure of the masses, has come out against Russian domination and for the withdrawal of Russian troops.

What the Hungarian masses are trying to do instinctively, without yet having at their heads the tried and tested consciously revolutionary Socialist and Communist leadership the situation so urgently demands, is to adopt the precepts of Lenin. Lenin warned of Stalinist methods in Georgia as an example of national oppression. Lenin also warned of the consequences of bureaucratism, inequality and arbitrary methods of command. The methods in Eastern Europe are a thousand times worse than the ones that Lenin castigated.

Comrades of the Communist Party! The entry of the Russian Army is to consolidate Stalinist counter-revolution against the legitimate demands of the Hungarian people. A simple test can be used. Why has not the slogan been raised by the Russians and the Hungarian Communist Parties, the slogan of Lenin to safeguard the revolution in 1917: All Power to a Central Council of the Revolutionary Committees! For a Workers' Socialist Hungary, with full democracy for all tendencies accepting state ownership and planning, for workers' management of industry, for the withdrawal of the Russian troops, for the right of the Hungarian people to decide their own fate without interference.



In a confused way that is the programme of the Hungarian masses. Leaflets issued by the workers and the intellectuals in Budapest under the heels of the Russian occupation have been groping for this solution. This is the programme of Socialism, not of counter-revolution.

The Hungarian political revolution has taken a nationalist form because of the bureaucratic national oppression of Stalinism. But the Hungarians, no more than the workers of other countries, can solve their problems in isolation. The Hungarian masses must appeal to the rank and file of the Red Army, to the workers of Russia, Eastern Europe, Western Europe and of the world, if they are to be successful.

Instead of nationalism, internationalism! For a Socialist Federation of all the Balkan States with full national autonomy.

Back to Lenin!

Comrade of the Communist Party! Back to the programme and policy of Lenin! We appeal to you: remember the saying of Lenin, that one should study one's opponents in the working class movement conscientiously. Read the works of Lenin and Trotsky, where these events are foreshadowed and explained in advance.

These titanic events in Russia, Hungary and Poland, and the invasion at Suez, plus the storms that are heralded, show the need for a real Socialist programme for Britain. An alternative must be offered to the

reformism of the Labour Party and the neo-reformism of the Communist Party leadership.

For the last 20 years and more, the policy of your leaders has been dictated by the foreign policy of the Russian bureaucracy. Your leaders still pursue a policy which is not in the interest of the workers of Hungary, Britain or Russia, but nationally and internationally, a reflection of the needs of the foreign policy of the Russian Bureaucracy.

Comrades! New shocks lie ahead. Yesterday the 20th Congress, today Hungary, tomorrow...(?)

The intervention of Russian troops was designed to prevent the setting up of a Socialist Democracy on the borders of Russia, because this would have been the beginning of the end for the Russian bureaucracy. Already some Russian soldiers have deserted to the side of the Hungarian people. This is an omen of the future! The intervention of Russian troops prevented the masses establishing a Socialist Democracy in Hungary, but in the future when the Russian masses rise, who will defend the Russian Bureaucracy then? In the coming period great events impend, in the East against Stalinism, in the West against Capitalism. We can best help the workers of Russia and Eastern Europe by conducting an implacable struggle for the overthrow of Capitalism and Imperialism in Britain and the West.

Comrade of the Communist Party! You can best help in this task by a clear understanding of the problems of the working class and the theory and practice of Marxism and Leninism. We are convinced that you will come to understand that the revolutionary struggle can be carried through to a victorious conclusion in Britain and internationally only on the programme of Marx, Lenin and Trotsky, which your leaders have abandoned. □

November 1956

For more on Hungary 1956 and today see www.marxist.com

(<http://www.marxist.com/1956-hungarian-revolution50.htm>)

fighting fund

LET'S HIT THE TARGET

When I was a kid, on Saturday we used to watch (usually after the wrestling and classified football results) the Adventures of Robin Hood, in glorious black and white of course. Now good old Robin and his merry men are back on Saturday night television once again, this time in colour and widescreen. However, these new inhabitants of Sherwood Forrest seem more interested in scowling around, admiring their rock band beards, and performing tricks with a bow and arrow straight out of the Hong Kong school of martial arts. Whatever happened to 'Take from the rich, give to the poor'?

The same question could be asked about the current Labour government. Forget Robin, Friar Tuck and the rest - welcome to government Sheriff of Nottingham style. The latest outrage is the decision of Health Secretary 'Sheriff' Hewitt to accept the ruling from Gordon 'King John' Brown to give health workers a pay rise of just 1.5% next year. Hewitt has told the pay review body that to give more will cost thousands of jobs. So in true Sheriff style the choice is yours - a de facto pay cut or job cuts! Either way, says Hewitt, It's your fault not mine.

No wonder we need to stand up for socialism and carry out the fight inside the trade unions and the Labour Party itself. Moaning about it is one thing, doing something is quite another. But that is what is needed and that is the task which *Socialist Appeal* has set itself. But we need the cash to finance this battle - and that is where you come in.

After the frenzy of last month with the special Ted Grant appeal (which is still

receiving contributions including £1000 from Jonathon in Sweden) this month has been rather quiet with not too much coming in as we reach the half way point of the month. So as Xmas beckons we need to get moving if we are to hit the £5000 target by the New Year. Plans must be laid for special Xmas collections, fund raising socials etc - and every reader and seller should ask themselves, what can I give? And having answered that question, double it and get it in the post to us as soon as possible.

Donations can be made in a number of ways:

By cheque to us at PO Box 50525, London E14 6WG (made payable to Socialist Appeal SC). Cheques and cash can also be paid in over the counter at any branch of Abbey National quoting account number K2018479SOC.

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

If you wish you can also ask your bank to pay us a regular amount by standing order each month. Simply use the information above when instructing your bank or contact us and we will send you a special form. After that everything is automatic and you can change or cancel the SO at any time, it remains under your control and no-one else, us included. Your support is appreciated - thank you in advance.

Steve Jones

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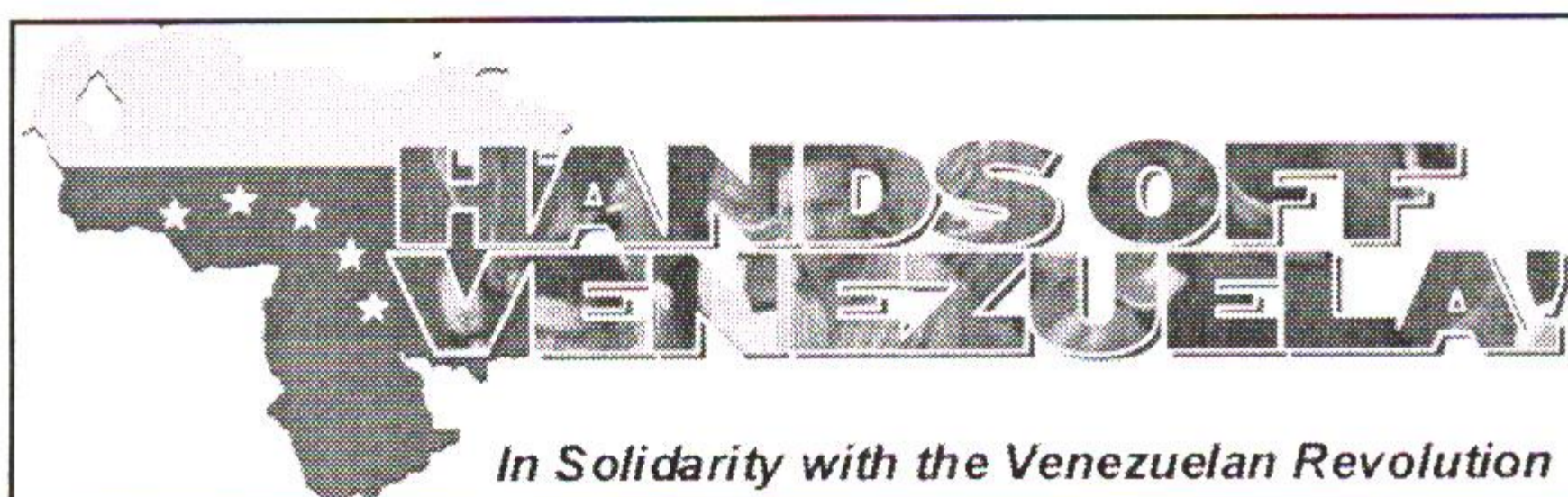
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Hands Off Venezuela Second National Conference

Saturday 4th November, 10am - 5pm
UCU Headquarters
27 Britannia Street
London WC1X 9JP

Leading speakers from Venezuela and Britain to discuss solidarity with the Bolivarian Revolution in the run up to the Presidential elections in December

Open to HOV members and labour movement delegates
For further details contact
britain@handsoffvenezuela.org



noticeboard

November 2006

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

President Hugo Chavez

Join Hands Off Venezuela!

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Socialist Appeal Stands for:

✚ **No to Blairism! For a Labour government with a bold socialist programme!** Labour must break with big business and Tory economic policies. Vote Labour and fight to reclaim the party.

✚ **A national minimum wage of at least two-thirds of the average wage.** £8.00 an hour as a step toward this goal, with no exemptions.

✚ **Full employment!** No redundancies. The right to a job or decent benefits. For a 32 hour week without loss of pay. No compulsory overtime. For voluntary retirement at 55 with a decent full pension for all.

✚ **No more sell offs.** Reverse the Tories privatisation scandal. Renationalise all the privatised industries and utilities under democratic workers control and management. No compensation for the fat cats, only those in genuine need.

✚ **The repeal of all Tory anti-union laws.** Full employment rights for all from day one. For the right to strike, the right to union representation and collective bargaining.

Election of all trade union officials with the right of recall. No official to receive more than the wage of a skilled worker.

✚ **Action to protect our environment.** Only public ownership of the land, and major industries, petro-chemical enterprises, food companies, energy and transport, can form the basis of a genuine socialist approach to the environment.

✚ **A fully funded and fully comprehensive education system under local democratic control.** Keep big business out of our schools and colleges. Free access for all to further and higher education. Scrap tuition fees. No to student loans. For a living grant for all over 16 in education or training.

✚ **The outlawing of all forms of discrimination.** Equal pay for equal work. Invest in quality childcare facilities available to all. Scrap all racist immigration and asylum controls. Abolish the Criminal Justice Act.

✚ **The reversal of the Tories' cuts in the health service.** Abolish private health care. For a National Health Service, free to all at the point of need, based on the nationalisation of the big drug companies that squeeze their profits out of the health of working people.

✚ **Reclaim the Labour Party!** Defeat Blairism! Fight for Party democracy and socialist policies. For workers' MPs on workers' wages.

✚ **The abolition of the monarchy and the House of Lords.** Full economic powers for the Scottish Parliament and the Welsh Assembly, enabling them to introduce socialist measures in the interests of working people.

✚ **No to sectarianism.** For a Socialist United Ireland linked by a voluntary federation to a Socialist Britain.

✚ **Break with the anarchy of the capitalist free market.** Labour to immediately take over the "commanding heights of the economy." Nationalise the big monopolies, banks and financial institutions that dominate our lives. Compensation to be paid only on the basis of need. All nationalised enterprises to be run under workers control and management and integrated through a democratic socialist plan of production.

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



Socialist Appeal

Marxist voice of the labour movement

No To Top-Up Fees, Loans and Debt! For Free Education and a Living Grant!

The introduction of top-up fees this autumn has had an immediate effect. It has already resulted in 15,000 fewer students starting university this year than last. Many, already daunted by the prospect of debt, have now been forced to give up their desire to further their education altogether by the imposition of the £3000 fee. As ever the Blairites (remember these are the same government ministers who claim we will all "learn to love top-up fees") are trying to put a positive spin on the fall in the new intake at universities. However, the figures speak for themselves. Across the UK new student entrants fell by 15,000, or 3.7 percent, whilst England, where the new funding arrangements apply, accounts for 13,000 of them.

Student debt has already doubled over the last six years thanks to the introduction of fees, and the replacement of grants with loans. According to NUS figures, average student debt increased from £2,212 in 1992 to £13,501 in 2005. When this year's freshers leave they will have accumulated a mountain of debt. Shockingly,

average graduate debt is forecast to rise as high as £44,000 by 2023.

According to the banks more than half of new graduates cannot afford to climb onto the property ladder. That is hardly a surprise when they have already taken out a hefty mortgage to pay for their education!

However it isn't just when you leave college, or even while you are studying there that debt becomes an overwhelming burden. It is now having an impact even before going to university.

The struggle against student debt and to defend education needs to be taken into the schools as well. Despite the introduction of the Education Maintenance Allowance (a means tested benefit) more and more school students are having to work to fund their travel to and from school and to pay for text books. A recent survey by NatWest found that sixth formers are now more worried about their debt than even about passing their exams. In all 71 percent of them said they were worried about making ends meet.

Education workers, teachers, lectur-



ers, cleaning and catering staff - in fact all workers in education - face a precarious future, too, thanks to the Blairites' obsession with privatisation.

But it is not enough to denounce this scandalous situation it is time to act. The National Demonstration organised by the NUS is a good start. This needs to be built on. We could learn a lot about how to organise a struggle like this from the recent events in France. We saw there how militancy pays off. Plans must be made now for further action to keep up the momentum, and an appeal must be made to all education workers and the wider labour movement for solidarity and support. A joint NUS/TUC demo in defence of education would be massive, and could prepare for further militant action. A united campaign of school students, university students, and all education workers can call a halt to privatisation, and topple top-up fees. This would be a major step towards recovering the free, quality education we need. □

- **No to top-up fees and student loans!**
- **Free quality education for all, and at all levels!**
- **A living grant for all over 16 in full time education!**
- **No to privatisation!**
- **For a united campaign of school students, university students and education workers in defence of our education!**
- **For a socialist system that puts education before the profits of big business and the rich!**

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