

Students • Economy • Venezuela • Housing

SocialistAppeal

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New Labour in CRISIS

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Bulletin Board

Northern Weekend School
 Main speaker Alan Woods.
 Theme: Class, party & leadership
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 The price is £45 (waged) and £35 (unwaged), and a £10 deposit secures a place.
 The dates are the 13th and 14th of September.

New Book Launch:
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 Speakers: Alan Woods
 John McDonnell MP
 Samuel Moncada (Venezuelan Ambassador)
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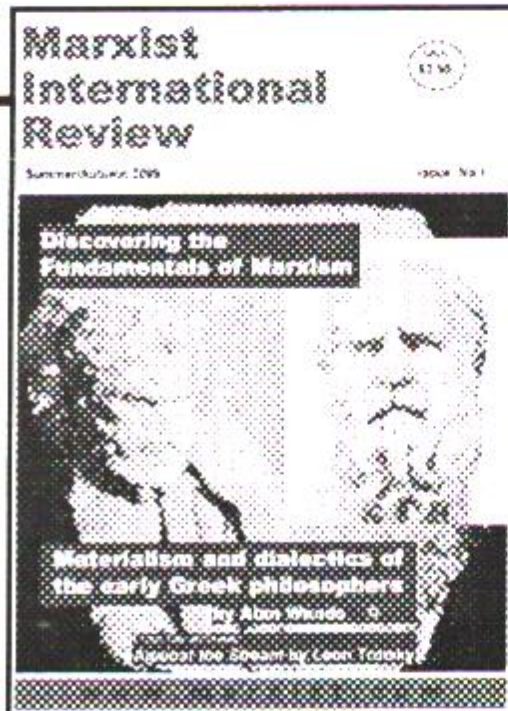
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Marxist International Review

The main part of the Summer 2008 issue comprises the first two chapters of Alan Woods' unpublished book on the history of philosophy. Also included is Leon Trotsky's short but ever relevant article, Against the stream.

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The Deadline for Issue 166 is September 19th 2008

Labour's crisis – time to act

AS WE have explained over the past year or so, the effects of the financial crash and its political consequences have represented a flash flood in British politics. After many years of apparent stability we have entered a period of sharp turns and sudden changes as the deep underlying problems and contradictions in British society have broken through the surface of events.

This crisis is clearly reflected in the Labour Party and particularly at the top. There is constant talk of a leadership bid at some stage. John McDonnell is absolutely correct in telling the plotters basically to "put up or shut up". Further more many trade unionists and Labour activists will echo John's view that we need a political change, rather than simply a change of face.

Already in opposition

On the ground there are extremely clear reasons for this. One of the outcomes of the meltdown for example is that Labour has lost ground throughout the country in local councils. Trade unionists are already having to deal now with Tory and Liberal administrations, or coalitions. In large parts of the country Labour is already in opposition.

A new Tory government would be a significant defeat for working people. The Labour Party remains the political expression of the organised working class. There are some activists who take the view that the Labour Party is a bourgeois party now and that it needs to be replaced. We disagree with that argument, which completely misunderstands both the class character of the party and its internal dynamics.

Squandered

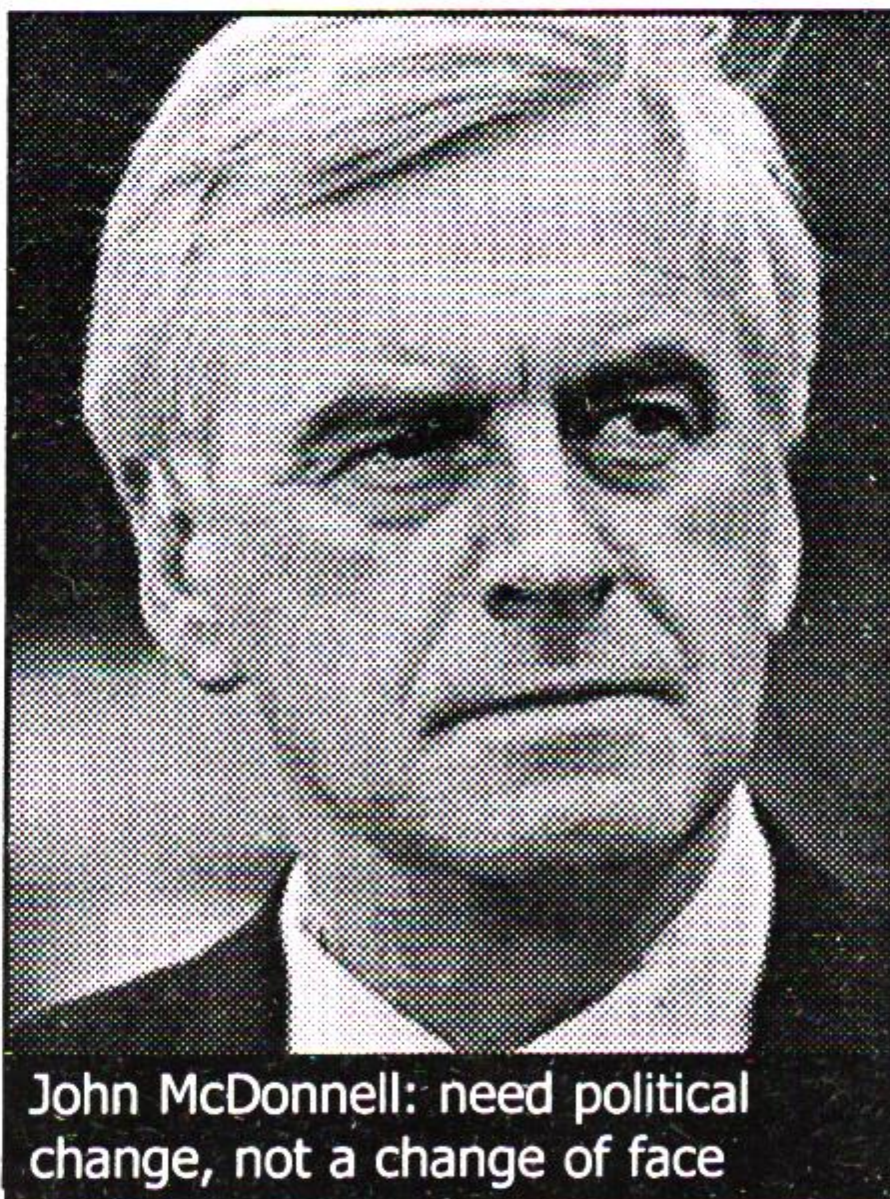
Basically if the Labour Party didn't exist we would have to fight for the establishment of a workers' party based on the trade unions. We would be calling for a socialist programme, to defend jobs and services and to transform the lives of working

people.

The British Labour Movement has a fighting tradition that periodically, under the pressure of the working class as it moves into action, is always reflected in the Labour Party.

It's been a warm summer, with strikes throughout the public sector in the schools, colleges, among civil servants and councils, most recently in Scotland where the action was more closely coordinated than in England.

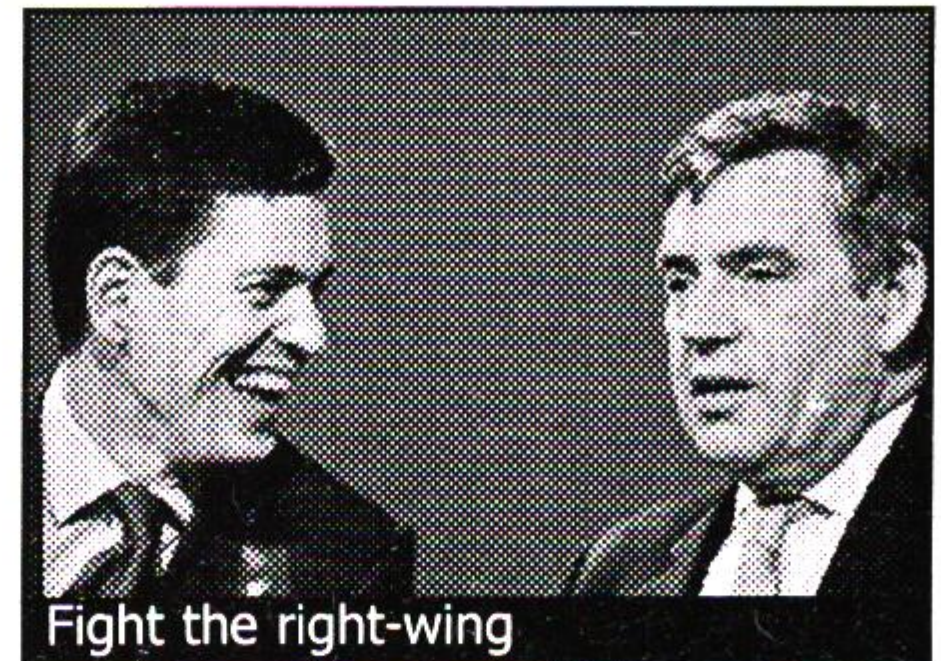
On Wednesday August 20th, 150,000 Scottish public sector workers from UNISON, UNITE and the GMB took unified action against a below-inflation pay offer of 2.5%. They were joined by PCS workers employed by the Scottish Parliament, who the SNP have also been trying to fob off with a real pay cut. Bins remained uncollected, council offices stayed closed, Caledonian MacBrayne



John McDonnell: need political change, not a change of face

ferries did not run. A thousand schools were closed across Scotland and, in some cases, teachers refused to cross picket lines. Inspiring stuff. But why were Scottish workers and English and Welsh workers not taking action together?

The likelihood is that the next couple of months will see a continuation of action on the industrial front. But unless that action is combined with a turn to the political front as well, then the job of trade



Fight the right-wing

unionists will become far more complicated and difficult. There has been a lot of talk about united and coordinated action and a significant amount of table thumping on behalf of the trade union leaders. But if they are serious about getting Labour to change course then they need to consider how they are going to do it.

A clear focus

The idea of reclaiming the Labour Party is a clear focus. But it needs to be more than a slogan. If Labour stands an earthly of winning the next election it needs to change direction and implement a socialist programme. But on a practical basis, it's time to stop the rot at a local level. The struggle to defend jobs and services, to fight PFI and privatisation needs to be fought politically inside the party as well as outside. At the same time we need to democratise the party, rolling back the counter reforms and attacks on the membership that were so vital to the Blair 'project'.

The weakness and emptiness of the Labour Party at present reflects the experience of 25 years of right wing domination, lack of democracy and the stifling of debate and discussion. It's true that many activists have torn up their cards in despair at the antics of Tony Blair and now Gordon's meltdown, but we need to serve the right wing with an Anti Social Behaviour Order. For the vast majority of working people there is no choice. We need to reclaim the Labour Party. We can't afford to pay for the crisis of capitalism. It's time to stop the rot. □

Student living - this isn't Hollyoaks

By Ben Curry

WITH THE beginning of the 2008/09 academic year fast approaching, students will soon be settling in to the realities of student life. For new students this means at some point they've made a choice: between studying away from home on the one hand and continuing to live with their parents on the other. Almost a third of students choose the latter option. This often means a long commute to a university chosen on the basis of its location instead of its merits - but at least these students have the security of a roof over their head. For those who have chosen to study away from home, often unaware of the true cost of student life, this means moving in to student accommodation and an ongoing struggle against poverty, unscrupulous landlords and, more often than not, appalling living conditions.

From the first day of the first semester there is one thing that all students can be sure of: their maintenance loan won't be enough to keep body and soul together. Students are entitled to no more than £3,000 non-income assessed, which rises to a mere £4,600 for students from the poorest backgrounds. Compare this with an average rent of £60 per week (which works out at £3,120 for the year) and then add on the rising cost of utilities, food and other necessities and the loan system is exposed for what it really is - a disgrace. The only way for most students to make ends meet is to work at least part of the time during the semester and burden themselves with overdrafts and credit cards the rest of the time. During the summer holidays when the loan has dried up students are forced to seek out whatever work they can get and have none of the usual rights to Job Seekers' Allowance or other benefits that most workers can fall back on.

The Government has done nothing to make student housing more affordable. Most first year students looking to live away from home for the first

time look to move in to university owned halls of residence. In this way they are guaranteed good quality housing at a cheap price.

Thanks to PFI, these residences are now being opened up to profiteer-



Higher rent in PFI built halls

ing vultures from the private sector. To give an example from a 2002 Unison report; at Luton University student nurses were told they had to leave their halls of residence and move into new PFI-built halls. Their rents shot up from £177 per month to £244 per month with at least one student being forced to sleep in their car!

PFI

Besides incredibly inflated prices, these profiteers also force students to sign longer contracts, so that students living at university during term time are forced to sign 52 week contracts and pay rent even when they know they won't be living there.

Besides being unaffordable, private housing is also a playground for bad landlords. Surely students ought to be able to expect landlords to fulfil their

contracts as an absolute minimum? Apparently not. More and more students are living with damp, infestation, poor or nonexistent heating and unsafe appliances - to the complete indifference of landlords. Landlords therefore often get away with breaking the law - the long and arduous process through the courts will always favour the landlord in the long run.

All this begs the question: why is student housing in such a bad state and what needs to be done to improve it? The question of housing isn't, after all, isolated to students. In the current economic climate more and more people are finding it difficult to keep up with their rent and mortgage repayments.

Student Housing

The Tories and New Labour have no solution beyond opening housing up further to the private sector. PFI and private landlords only succeed in driving students to the breadline and ultimately out of education altogether. The only way to win our rights for both a decent education and decent housing is through the organised labour and student movements. The NUS and the Unions must organise together at the grassroots and fight to force the Labour government to act on the housing disgrace. The Labour government must adopt socialist policies now to assure workers and students alike affordable and secure housing:

No to privatisation of student halls of residence!

Begin a massive programme of decent social housing!

A living grant for all students!



Making money from education

by Dan Morley

THE AMERICAN education company Kaplan has announced plans to open a profit seeking university in the UK. Although only a small beginning, this opens the way to a profit-driven higher education system. The first move was the government's, who recently relaxed laws on who can award degrees. They are in effect trying to open up the concept of a degree to market speculation and commodification.

Kaplan is already prominent in the US,. But they are not altogether alien to these shores either, having joint ventures with Nottingham Trent and Sheffield universities. It also owns the Dublin Business School. Kaplan generates revenues of over \$1 billion per year, so it clearly knows how to squeeze a buck or two out of our public education system.

Those leading a campaign against the possibility of a profit driven university are likely to be the Coalition of Modern Universities, which represents about 30 'new' universities in England. They have already criticised the government's relaxing of laws on the awarding of degrees, because the changes could rob universities of vital funds and would unsurprisingly create an even more class-divided, elitist university system. A senior figure within the CMU said: "There has been absolutely no consultation on principle, mechanics or implications for sustainability." The group prides itself on being the biggest player in attracting students from poorer backgrounds to higher education. However, whatever the motivations and creation processes of the new laws, the introduction of profit-driven universities will open up the British higher education system to becoming more like American system, the most elitist and expensive in the world.

SAT scores

That the potential university will aim itself at the more wealthy customers is confirmed by its running of the SAT system for entry into such institutions. "The conventional wisdom is that the [SAT] test is just another leg up for rich kids who can shell out \$1,000 for a test prep course. To some, the likes of Kaplan and Princeton Review have turned good SAT scores into a commodity, another saleable ticket into America's Ivy League aristocracy," says Kerry Howley, an American teacher. Once such a university comes into being over here, as is no doubt the government's intentions, it would be in direct competition with public, established universities. The law of the market would then be applied with ever greater force on our higher education system, and will inevitably erode what remains of its public character. In the light of this, the government's plans to remove the cap on fees, allowing universities to charge as much as they like, are clearly a part of a larger plan. But it is not wise, even from a long-term capitalist perspective, to open up university education to speculation when this has recently proved to be so volatile as to threaten the entire world economy. Do we want the same logic that has led to the food crisis and driven millions more into starvation, to also be applied to the way we learn? No way! □

odds'n'ends

'REFORMING' THE NHS: in 1997 there were 198,000 hospital beds. Now there are 32,000 less. What's going on?

PFI alert: "The recent release of the Royal Infirmary Edinburgh and Hairmyres hospital contracts in Scotland and their analysis by Jim and Margaret Cuthbert show shareholders will reap dividends of £168m on an equity stake of £500,000 for the infirmary, and £89m on an equity stake of £100 for Hairmyres hospital." Allyson Pollock, writing in the Guardian's 'commentisfree'. These figures are **NOT** a misprint.

Financial Times June 3rd 2008. "Alistair Darling has bowed to a business backlash over proposed changes to the taxation of foreign profits by agreeing to give a forum of multinationals a 'key input' in shaping the proposals, delaying a consultation that had been due next month."

Translation: Multinationals can write their own tax laws. Nice for some.

Transport Minister Tom Harris remarked that if the Tories hadn't privatised the railways, New Labour would have done it in 1997. We invest three times as much as when the industry was nationalised through our fares and taxes. The train operating companies alone get £2bn. £800m goes straight out without even touching the sides to private 'investors' (looters), some of whom get a 30% rate of return. You couldn't make it up!

Everybody loves LS Lowry's 'matchstick man', paintings of working class people in Salford in the Great Depression. Everybody now includes luxury group Burberry who have created a Lowry handbag selling at just £1,395. He also has a luxury hotel named after him and his paintings go for up to £3.7m.

Never mind the Olympics medal table. Here's a table to watch. Boston Consulting Group has drawn up a table of millionaire households. To get in you have to have more than \$1 million of assets under management. So you can't include your house or your Lear jet. The USA is top with 4.5 million millionaire households. We're third with 610,000. Hurray!

Parliamentary expenses: Tony Blair as PM was on around £190,000 (a sum that he regarded as a poverty wage). So he claimed for his TV licence! Gordon Brown also claimed for his TV licence. He claimed £55,000 over three years towards his second home despite having the run of a 'grace and favour' apartment in Downing Street. He also claimed £15,000 to fit up his London flat, £2,300 for food, and £4,980 for cleaning. He then had the temerity to claim for his council tax. Prudence indeed! □

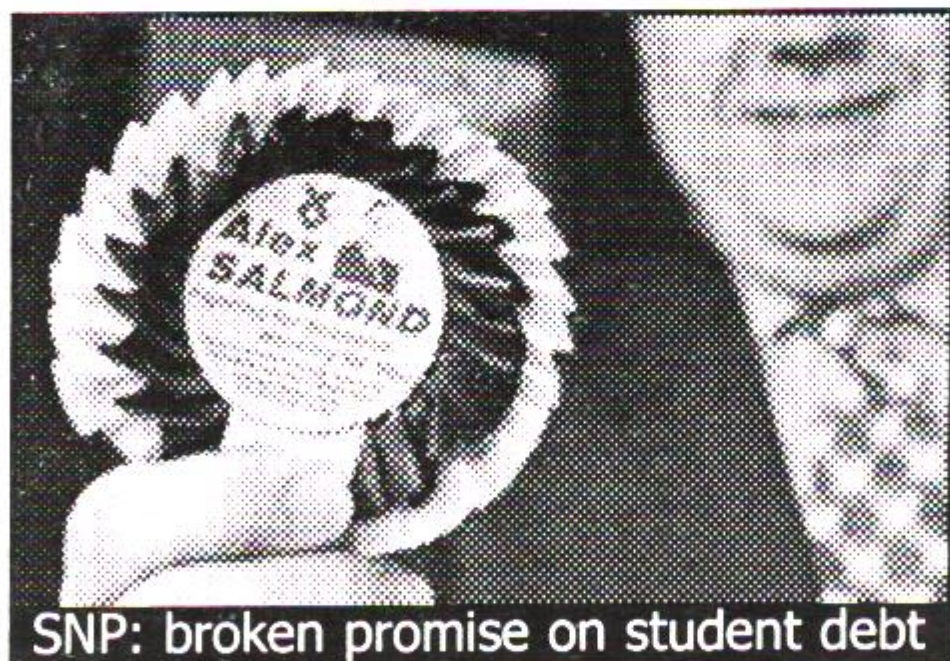
Scottish students - up against it

by Ewan Gibbs

FOR CENTURIES the Scottish education system has fiercely maintained itself as an independent entity at all levels and has been seen by many as superior to that of England and Wales. After devolution the Scottish Parliament was granted responsibility for Scottish education, and with this for the associated fees and benefits. The Labour-Liberal Democrat coalition scrapped tuition fees in favour of a one off graduate endowment payment. It was £2,289 when scrapped, and paid at the end of a course once a student was earning over £15,000 per year.

SNP

During the 2007 election campaign the SNP put a large focus on the issue of student debt. They promised to scrap the endowment fee which they promptly carried out once they were elected. However in reality this represented a betrayal of Scottish students



SNP: broken promise on student debt and the bare minimum that the new Scottish Government could possibly get away with. During the campaign the SNP had promised in their election material and broadcasts that they were going to scrap the existing debt yet, along with other promises regarding education such as smaller class sizes, this has been shelved. If this had been followed through it would have included transferring £1.9 billion of loans into grants. It was also strongly indicated that the existing structure would be changed to follow suit with this shift. Instead only very minor concessions were granted and the loans system remains in place.

In many ways it is true that

Scottish students studying in Scotland are in a far more favourable position than their English counterparts. We do not have to pay tuition fees, and, with the endowment fee scrapped, there are no longer any fees associated directly with studying at university. However there are still huge debts incurred when studying and the student loan system for Scottish students is far less generous than the English one. Students studying in England are entitled to 75% of the maximum loan, with interest being incurred at the rate of inflation. In Scotland the entitlement for most students is far lower than this. Most of the loan is income assessed, which means that generally students with two parents that work full time, even in relatively low paid jobs will receive less than they would in England.

Debt

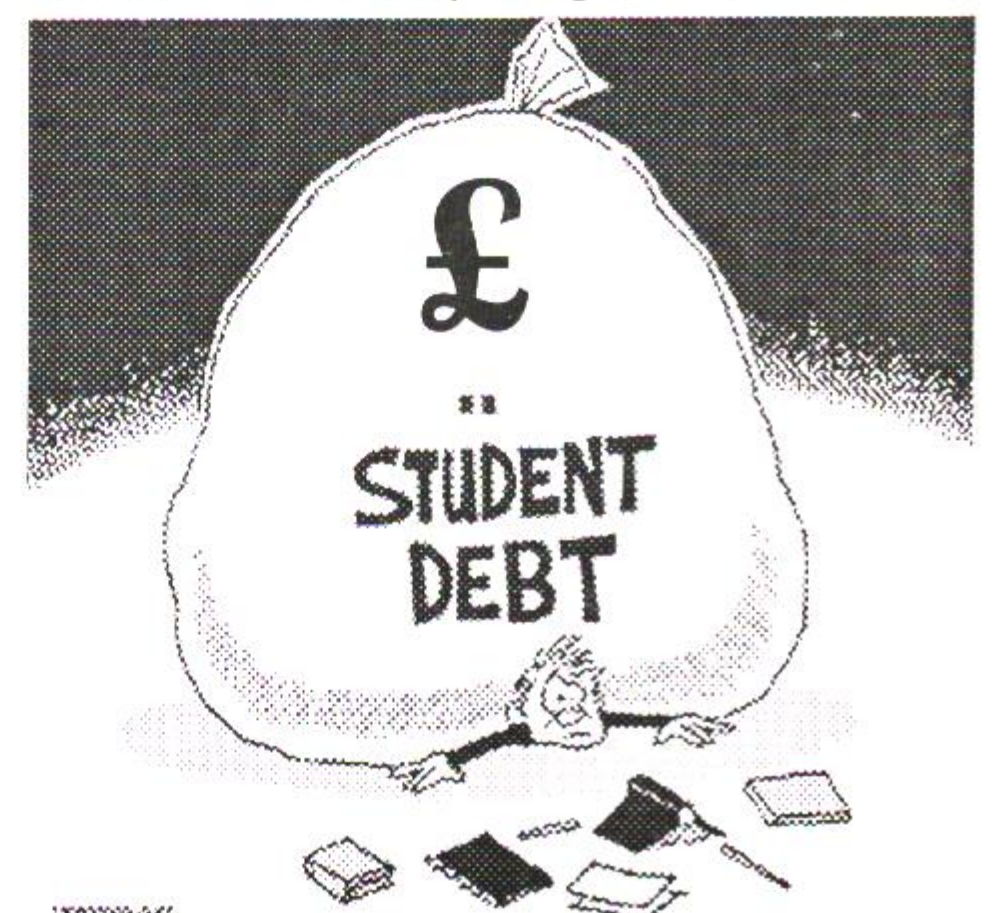
According to the Scottish Government in 2006 the average student left a Scottish university with a debt of £13,000. This is approximately half the annual wage of a skilled worker. In such a situation it is hardly surprising that potential students from a low income background would choose not to enter higher education. For the first time in centuries the amount of young Scots in higher education has fallen for a sustained period. Between 2001-2002 and 2005-2006 the number of young Scots in higher education fell from 51.1% to 47.1%. This is a massive regression given that the previous fifty years or so in particular have been characterised by working class people being able to attend university. However, this may only be the tip of the iceberg. In the current climate of a massive increase in the cost of living, high inflation and a relative fall in wages, not to mention the creeping threat of unemployment, there is the ever present danger of universities becoming yet again institutions reserved for the sons and daughters of the well to do.

The problems faced by Scottish students are part of a similar trend that is

being followed throughout Britain. While there are obvious differences between the Scottish and English set ups the problems for working class students in both is fundamentally the same. In the absence of a decent grant systems students are forced to rely on loans or support from parents and to work and potentially compromise their studies to support themselves through university.

Grants

The question of grants is at root a political one; they were originally won under the pressure of the labour movement and were reversed by the Thatcher government. It is only through mobilisation and struggle that students can hope to reclaim them. The fact that potential centres of student militancy such as the University of Glasgow operate outwith the NUS is a barrier to enabling this to happen. The NUS may not be militant at present, but it is the only umbrella organisation within which students can mobilise. In recent years the NUS was able to launch a limited but ultimately successful campaign against upfront fees in English universities. In many ways this was done in spite of the NUS leadership rather than at its behest. Only through a national campaign fighting for the abolition of all fees and decent grants for all students in education, mobilising across all the major universities, and also reaching out to colleges, schools and the wider labour movement can the right to free universal education truly be guaranteed. □



New Marxist economics website

www.marxisteconomics.com

THIS NEW website is now operational. Set up by supporters of the International Marxist Tendency, it is intended as a service and an educational tool for the entire labour movement.

The website sets out Courses, Information and Resources.

You work through the Courses, which are really at the heart of the educational project. At present there are two Courses - 'Basic Concepts and Ideas' and 'Looking at Value.' More are promised. There are hotlinks to definitions within the Courses.

There are already signs of interaction and questioning among the first users. There is a section. 'Latest posts.' Feedback is welcomed.

There are classic texts handy. There are links to sites many of our supporters may be unaware of - statistical websites for instance. So MarxistEconomics.com can be used as an integrated tool for research.

Several features will be of immediate interest. Under the 'Individual Topics' there are links to useful articles grouped by subject.

There is no doubt the amount of material posted will grow and improve in content. We welcome this website as an important contribution to education in Marxism

Here is what they say about themselves:

The MarxistEconomics.com website has been designed to provide courses, information and resources to promote the study of Marxist economics (more correctly called 'Marxist political economy'). We therefore welcome the input by all those seeking to learn about Marxist economics and who wish to contribute to its promotion, wider understanding and development.

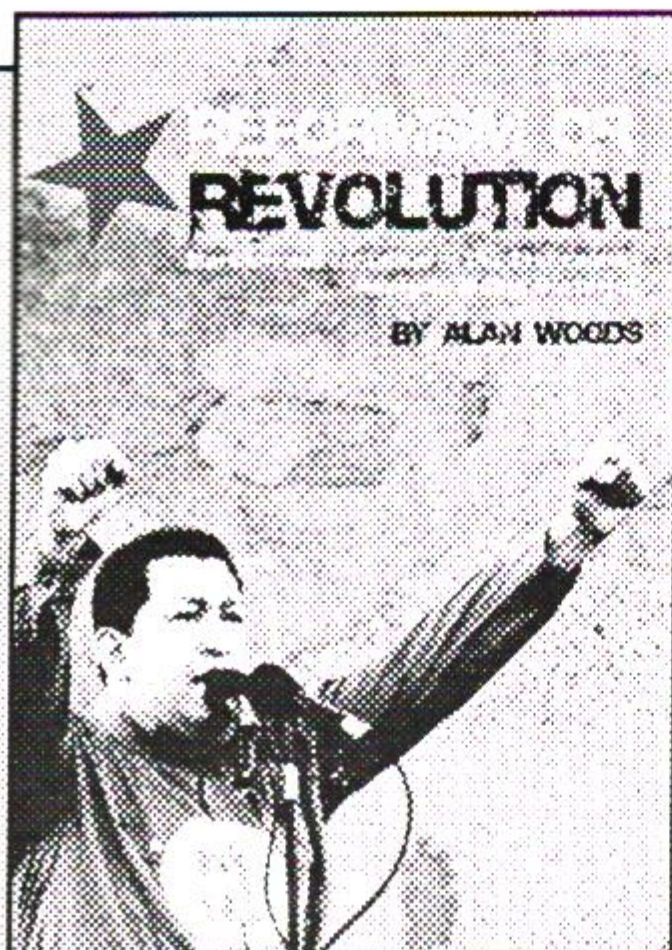
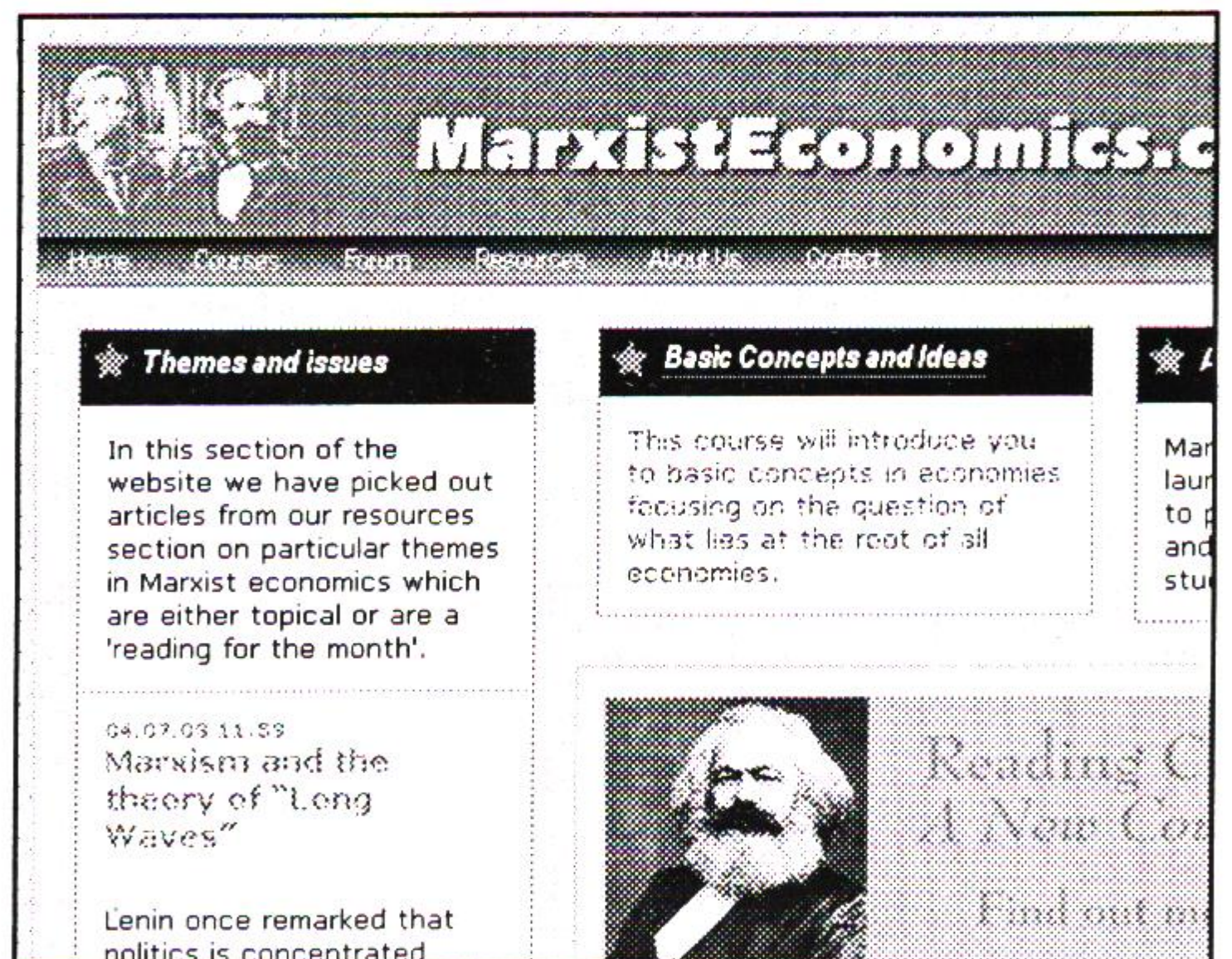
Everyone in today's society is constantly bombarded with the ideas of capitalist economics (also known as orthodox economics and neo-classical economics). We are indoctrinated with ideas that accept this particular economic understanding. These ideas are everywhere around us: in newspapers, TV programmes, Hollywood movies, and the very

language that we use.

It is rarely that you hear about Marxist economics, you will for example, not find it in the school curriculum of countries around the world; in the UK's Advanced Level economic qualification, US High School Diplomas or the International Baccalaureate. Nor is it seriously studied at undergraduate level.

But this is not because Marxist economics has no validity in terms of understanding economic systems and society. Quite the contrary, we would argue that it is the ideas of the pro-capitalist neo-classical economics which often rest on mysticism basing itself on self-defined truisms.

Marxist political economy, as a subject, is part of a wider body of ideas generally known as Marxism with which it forms an integrated whole. It was originally developed by Karl Marx as a means of understanding how capitalist society worked. But both in its origins and in today's society it cannot be separated from political ideas and an understanding of capitalism as a society of exploitation, which is also an arena of class struggles. □

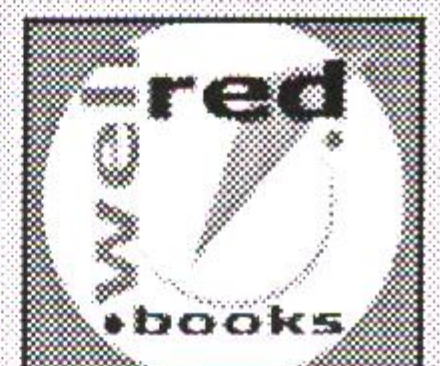


**Wellred Books and Hands off Venezuela present:
New Book Launch: 'Reformism or Revolution'
by Alan Woods**

**Wednesday, 1st October, 7 pm at the Bolivar Hall, 54 Grafton Way
London W1 (nearest tube Warren Street)**

Speakers: Alan Woods
John McDonnell MP
Samuel Moncada (Venezuelan Ambassador)

All welcome. Plenty of time for questions and discussion



trade unions

Trades Councils - Councils of Action for the Working Class

by Dudley Edwards

NOT ONLY did trades councils precede the TUC [Trades Union Congress], but it was these bodies which brought the TUC itself into existence. As a matter of fact, they were an independent, grass-roots working-class movement from the very first.

Today, many thousands of workers in Britain have served as delegates to their local trades councils. This very numerous body of working men and women often represents the most class-conscious, active, and intelligent section of the working class in the locality in which they work.

They spend many hours of their leisure time endeavouring to co-ordinate all the working-class struggles for a better life in their district. They discuss and take decisions on every conceivable issue involving the interests of the workers.

The trades councils themselves can generally quite justly be described as the advanced detachment of the organised working class. Most of them are also inspired by the idea that they are working for a cause greater than themselves. They believe there is a need for a fundamental change in society.

At the same time, they struggle for a decent living wage, adequate housing, a fair deal for old age pensioners, a better urban or rural environment - they discuss and formulate countless other demands and then campaign for them.

All this activity is done voluntarily, without thought of remuneration or personal advantage. But of over 500 trades councils no more than three or four have full-time secretaries. For this reason the trades council movement is probably freer from the bureaucratic mentality than any other area of the British trade union movement.

Unfortunately, sometimes this self-sacrificing body of workers are not sufficiently aware of the great significance



of their own dedicated work, or of the tremendous historical role of the trades councils in the long struggle of the working class to create an organisation powerful enough really to change society and put an end to the system of monopoly capitalism under which we live.

History shows that the trades councils could well become the organs through which working class power will be finally achieved. To quote Frederick Engels: "The full emancipation of the working class must be the act of the working class itself." The trades councils - which, significantly, were in the past combined with Labour Party general management committees in some key industrial areas - could be a vital means of carrying through this action to its logical conclusion.

In the recent past, this revolutionary side of trades council action has often not been very evident.

The decades of capitalist economic upturn which followed the Second World War brought a period of relative lull in the class struggle, and many trades councils became docile appendages of the TUC, concerned with little more than "parish pump" politics.

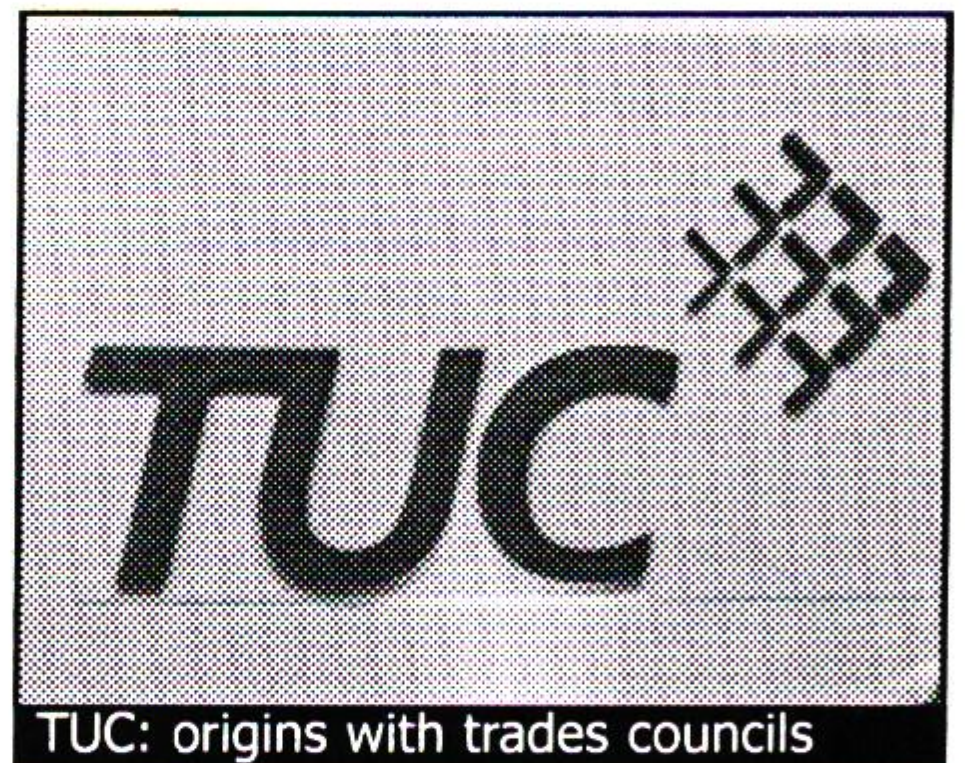
Engels

Yet, whenever the working class began to move on a broad front against the capitalist establishment, the trades councils sprang into action. It is for this reason that the more

right-wing section of trade union officialdom became concerned to reduce the trades councils to purely consultative bodies, and many workers came to think they had been created by the TUC to be nothing but the General Council's mouth-piece in the localities.

A look at history shows that this is a false notion. The TUC actually grew out of the trades council movement. It was a number of the key trades councils, already established as the leadership of the movement locally, who took the initiative in bringing the trade unions together in a national body.

Today, this aspect of trades councils is again becoming of vital importance in the present growing struggle to repel the efforts of the Tory government and big business to put the trade



union movement in a strait-jacket by means of various kinds of anti-union legislation, wage freezes, and other reactionary moves.

It was Sam Nicholson, President of the Manchester and Salford Trades Council speaking at its meeting in 1868, who first called "for a congress of our own", and the first TUC was actually called in that year.

The invitations were sent out only to "trades councils and trades federations." "Thirty four delegates attended this congress of which eleven were from provincial trades unions. At the 1868 congress, the Birmingham Trades Council was deputed to convene the next one."

At this second congress in 1869,

forty delegates attended, still mostly from trades councils. For the first time delegates from the London Trades Councils were present.

It is interesting to note that at this time a committee was appointed "to prepare a statement to go out to the world, to trade unions and legislators as to the reasons why we hold the opinion therein contained."

Tory Heath government

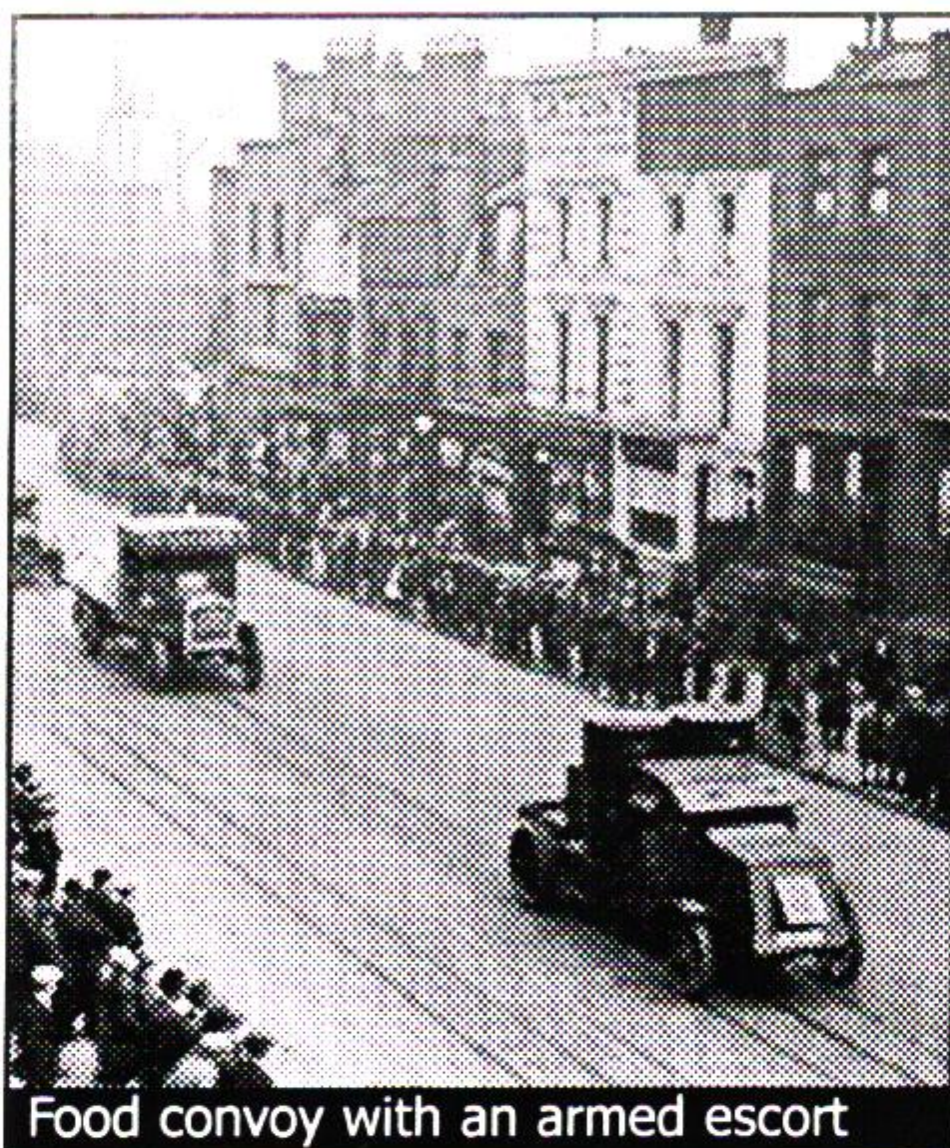
Its agenda reminds us of our fight against the Industrial Relations Act today (i.e. under the 1970-74 Heath government - ed.). Most of the discussion centred around how a fight could be waged against a report of a Royal Commission on TU legislation which left unionists liable to criminal prosecutions under an 1825 Act.

The first victories for a really radical policy calling for an eight-hour day - a potentially revolutionary demand at that time - and other socialist demands were won at the 1890 TUC. This break with the old-style unionism was largely the work of trades councils.

But in 1895, the more conservative elements retaliated and were able to get the trades councils excluded from direct affiliation - ostensibly because this involved dual representation.

Despite this constitutional restriction of their powers, however, the trades councils have rapidly increased their authority during periods of economic crisis and sharpened class struggle. During such periods they have become the focusing point of all working-class struggles, especially in the big industrial centres.

In particular, the sudden increase in the authority and independent action of the trades councils during the 1926 general strike alarmed the right-wing



Food convoy with an armed escort

leaders of the TUC. This was the basic reason why such leaders as James Thomas worked frantically to stop the strike as soon as it had started.

One could do no better than to quote the words of the famous Labour and Social Democratic historian, G D H Cole, to illustrate what the Jimmy Thomases were afraid of. In his book 'British Trade Unionism Today', Cole wrote:

"The hour of glory of the trades councils came in the General Strike of 1926, when either directly or through councils of action which they took the initiative of creating on a broad base, they assumed the task of local organisation and responsibility for the conduct of the strike.

"A great many of them during this period issued local newspapers or bulletins to replace regular newspapers... They issued permits for goods to be delivered to hospitals and other necessary services; they improvised special transport services and conducted intensive propaganda campaigns in neighbouring villages.

"On the whole this work, improvised in a few days, was done with remarkable skill and efficiency and showed large resources of strength and competence in the local leadership."

Nine days

It was this which struck fear into the hearts of the employers, and worried the right-wing TU leaders. It was a flowering of that amazing initiative and ingenuity of which the British

working class is capable, when the dead hand of officialdom is removed.

During the nine days which shook capitalist Britain, the embryonic forms of what Lenin called 'dual power' were rapidly forming. Some trades councils even began to set up their own workers' defence force-to establish their own law and order.

In Newcastle, almost complete control over all transport was established. In some areas in the North East, under pressure, the police even agreed that the special constables should be recruited from the strikers themselves.

Contrary to the views expressed by the TUC president at the 1973 congress, the workers demonstrated in 1926 that the organised working class could take responsibility for the efficient administration of each area and, if necessary, of the country.

If the leaders of the General Council in 1926 did not understand this then, the Tory Prime Minister Baldwin certainly did when he mobilised all the forces of repression: tanks, armoured cars, and the Organisation for the Maintenance of Supplies (OMS) - the auxiliary strike-breaking organisation, backed and subsidised by the government. The ruling class saw the whole movement as a challenge to their system.

Naturally, when the strike was betrayed, the trades councils were again reduced to the passive and secondary role allotted to them by the right wing bureaucracy. Nevertheless, the trades councils remain potentially capable, in any new period of great events, of mobilising the working-class struggle to change society. □

(republished from the *Militant*, 18 May 1979)

Dudley Edwards, now deceased, was a member of Hove Labour Party, and was an activist in the trade unions and trades councils for many years. He was a shop steward at the Morris car plant in Oxford in the 1930s and later became an active supporter of the Militant tendency. His publications include 'Last Stand of the Levellers' and 'The Soldiers' Revolt'. He died in the 1980s.



The birth of the TUC

by David Brandon

THE LABOUR Movement must learn from the lessons provided by its own history. The trade unions were created out of class struggle. To establish themselves they had to fight the hostility of Parliament, the courts, the employers and the media. Here we trace how the TUC arose from the need to secure a legal basis for the developing union movement in the 1860s.

The mass working class is the product of the Industrial Revolution of the eighteenth and nineteenth centuries. Industries such as iron-making, coal-mining, shipbuilding and textile manufacturing grew very rapidly. The latter in particular had many huge factories or mills which brought together large workforces of proletarians, that is workers who did not own the machines and equipment with which they laboured to produce profits for their employers. They were largely unskilled or semi-skilled and their economic relationship with the employer was simply that they sold their labour power to him in return for wages. Even as late as the mid-nineteenth century, much industrial production was still in small workshops or in the worker's own home. Wherever they laboured, however, workers learned by hard experience that their interests were totally opposed to those of their employers and that the only way to defend and develop them was by combining in unions and utilising their collective strength. The militant organisations created in such struggles tended to fade away once the dispute was finished.

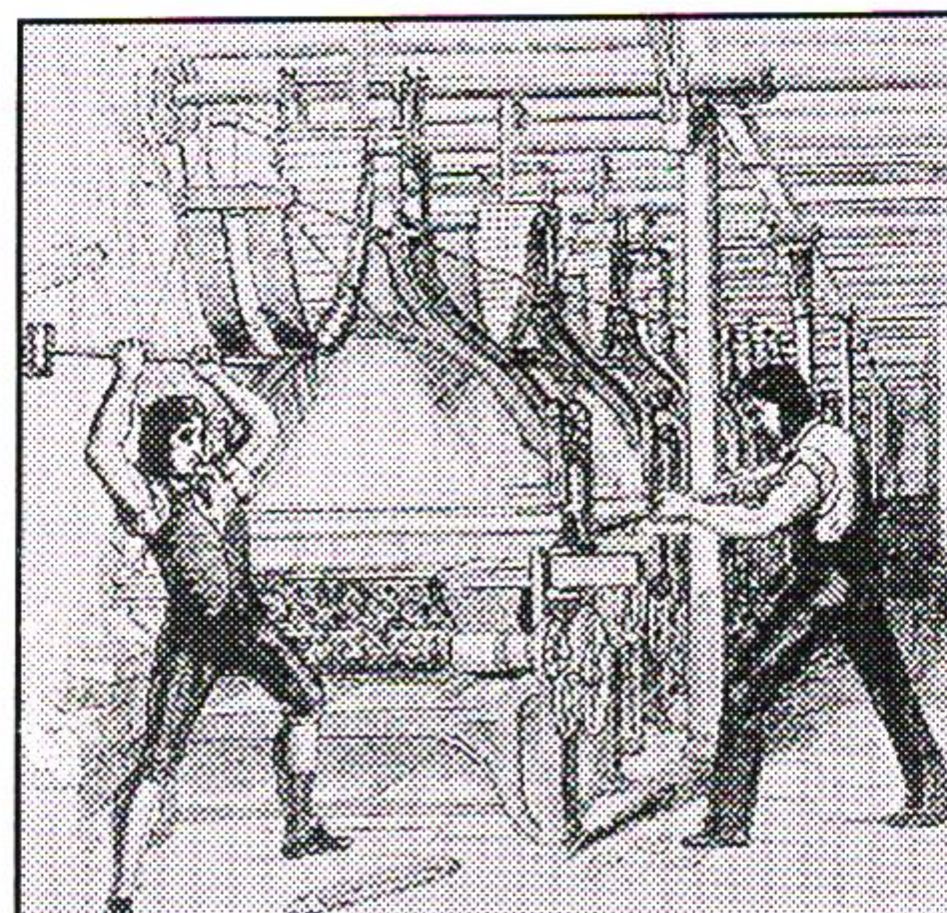
Skilled artisans

Among some groups of skilled artisans there were 'craft clubs' which had a more permanent existence, the prime purpose of which was to act as friendly societies. On those occasions when they took action to secure improved wages and conditions, they

might find themselves being prosecuted as 'criminal conspiracies'. Readers will not be surprised that employers' combinations, although also illegal in the eyes of the law, were rarely if ever prosecuted.

Machine-breaking

From 1800 to 1830 the anger of working people manifested itself in bitterly-fought strikes and in machine-breaking, hayrick-burning and other forms of sabotage. The ruling class met such activities with brutal oppression. It was argued that the way to improve the wretched conditions in which most people lived and worked and also to ensure a legal status for the nascent unions lay with parliamentary reform. A huge movement for radical political change developed, largely with middle-class leaders and the pressure created was instrumental in the passing of the Reform Act of 1832. This act gave the vote to some middle class men and virtually ignored working men. In the fury that followed, the floodgates opened to the demand for more complete political change. Out of this developed the Chartists who were the first mass movement of the British working class. They intended to win control of a democratic reformed parliament which they believed could be used in the interests of working people.



Smashing powerlooms

CHARTIST DEMONSTRATION!
"PEACE and ORDER" is our MOTTO!
TO THE WORKING MEN OF LONDON.
Fellow Men,---The Press having misrepresented and vilified us and our intentions, the Demonstration Committee therefore consider it to be their duty to state that the grievances of us (the Working Classes) are deep and our demands just. We and our families are pining in misery, want, and starvation! We demand a fair day's wages for a fair day's work! We are the slaves of capital---we demand protection to our labour. We are political serfs---we demand to be free. We therefore invite all well disposed to join in our peaceful procession on
MONDAY NEXT, April 10,
As it is for the good of all that we seek to remove the evils under which we groan.

Chartists

One of the tactics of the Chartists was the idea of the 'Sacred Month' or general strike whereby a united working class would bring the economy to a halt and force the government to meet the demands embraced in the Charter. Central to this idea was that of a national organisation bringing together and coordinating the strike activities of workers right across the country. The forerunner had been the National Association for the Protection of Labour founded in 1830, but in 1834 anger at the outcome of the Reform Act and a host of other grievances led to the establishment of the Grand National Consolidated Trades Union. This can fairly be described as the predecessor of the TUC. Its intention was to affiliate every existing union. These would keep their own rules and organisation but would unite to form District Councils and a Grand Council at national level. The GNCTU was intended to provide the national leadership in the event of the 'Sacred Month' but it also attracted many workers concerned that it should coordinate and lead the immediate struggles for a living wage, shorter working hours, against harsh workplace discipline and for the right of legal protection for unions and their activities.

The Chartist movement faded out in the early 1850s at the end of the three or more decades of political turmoil and industrial strife. What followed was the consolidation of British

capitalism with twenty to thirty years of almost continuous economic growth during which the class struggle by no means disappeared but was somewhat more muted. Many groups of skilled workers formed powerful trade unions through which they were able to obtain significant advances in wages and conditions and what appeared to be a secure legal basis for their activities. These unions were usually organised on a national basis, well-funded and highly centralised, employing substantial numbers of full-time officials. Dues were substantial and membership was restricted to those in each specific trade. They catered for such trades as bricklayers, carpenters, engineers and iron-founders.

New Model

Significant gaps opened up between the pay of the union full-time officers and that of their members. This gave the full-timers access to lifestyle changes and subjected them to political pressure as they hobnobbed professionally and socially with people of the middle and upper classes. The latter wooed them cynically, knowing that in doing so they could draw their potential sting. Some of the more influential trade union leaders established an informal but powerful clique later known as the 'Junta' and this form of trade union organisation came to be known as the 'New Model'.

Lib-Labs

Unfortunately many of them had an exclusive, even rather contemptuous, attitude towards the mass of semi and unskilled and largely non-unionised labour. They were concerned to maintain the relative privileges of their own members and some argued that it was neither possible nor even desirable for the trade union movement to widen its doors to the working masses. In the late 1850s and early 1860s trades councils were created especially in big cities such as London, Glasgow, Sheffield and Liverpool to coordinate local union activity but these largely replicated the practices of the Junta.

A strong movement for further political reform developed in the mid-1860s and the Reform Act of 1867 gave the vote to substantial numbers

of working class men from the skilled, relatively better-off workers who the New Model unions embraced. The Liberal Party leadership courted the Junta hoping to secure the voting support of their newly enfranchised union members. Some of the Junta in turn were only too happy to be identified with the left of the Liberal Party and to be known as 'Lib-Labs'. The acceptance of capitalist ideas which this entailed meant that the leadership of most unions was in the hands of men who advocated class collaboration. They hoped that by toadying to the Liberal wing of the ruling class, they would be thrown the concession of a firm legal framework for their kind of trade union activity. Events were to confound this sycophantic attitude.

Junta

In 1867 the union leaders were abruptly shocked out of their complacency when the court ruled in the case of *Hornsby v. Close* that there was no legal protection for unions when members or officials embezzled their funds. This was an enormous threat given that many unions, while avoiding strike action whenever possible, had carefully built up very substantial financial reserves.

Worse followed. As the implications of this hostile judgement were ruefully digested, the leaders were shocked by the furore over the so-called 'Sheffield Outrages'. Conditions were particularly appalling in the city's metal industries. The unions had developed a tradition of direct action aimed at the most unpopular employers and also at blacklegs. In February 1867 the government announced the establishment of a Royal Commission to investigate the trade unions. In response, the Junta, the London Trades Council and other unions convened the Conference of Amalgamated Trades to present the unions' evidence.

Commission

Although the Commission's report found little to criticise about the way the unions conducted themselves, the Trade Union Act of 1871 was passed apparently giving the unions a firm legal status and safeguarding their funds. However the Criminal Law

Amendment Act placed a web of legal restrictions on how strikes were conducted. The employers used this act to launch a vendetta of prosecutions and imprisonments for peaceful strike activities. Two further acts were passed in 1875 which largely reversed the legislation of 1871.

TUC

1868 is generally taken as the year in which the TUC was established. It was an amalgamation of the Junta, the London Trades Council, the National Miners' Union, the more militant London Workingmen's Association and a number of equally militant northern unions. After much manoeuvring, the Junta was able to gain control. Its lobbying was instrumental in the passing of the 1875 legislation. The union leaders appear to have felt that their main purpose had been achieved with a 'secure' legal status and influence with the Liberal Party, there now being two miners' leaders in Parliament, actually sitting as Liberals. The leaders broke with the First International, strongly influenced by Karl Marx and opted for careers as well-paid bureaucrats. Their desire for the quiet life and obsession with 'respectability' ensured they made no attempt to mobilise the potential strength of the movement around socialist policies. They concentrated power centrally and set up undemocratic rules which reduced the influence of the rank-and-file and isolated militants. Their attitude to strikes was summed up by William Allen, leader of the Engineers who said: We believe that all strikes are a complete waste of money, not only in relation to the workers but also to the employers.

Trades Councils

Now in 2008, the trade union movement faces the possibility of the return of a reactionary Conservative government to office at a time of economic uncertainty. Such a government would attempt to make the working class pay for the problems of the capitalist system. The TUC must lead the fight against any Tory attempts to reduce the power of the unions and fully support the campaign for the return of a Labour Government committed to socialist policies. □

Back to boom and bust

by Mick Brooks

ALL THE lights are turning red for the British economy. Consumer confidence is at its lowest ever level. According to the Nationwide consumer confidence index, it dropped to 61 last month, down from 93 a year ago. Low consumer confidence is a response to bad economic news, but it also bodes ill for the future. If consumers expect things to get worse, they will be inclined to hang on to their money, so creating a self-fulfilling prophecy.

Confidence

Another sign of drooping confidence is the collapse in share prices. Both London and New York have been officially declared bear markets recently. FTSE shares have been falling steadily since March and, despite rallies, for the whole year past. What does this mean? Share prices reflect expected future profitability. Profits are already tanking (See Michael Roberts in this issue) and have further to fall as recession returns to Britain.

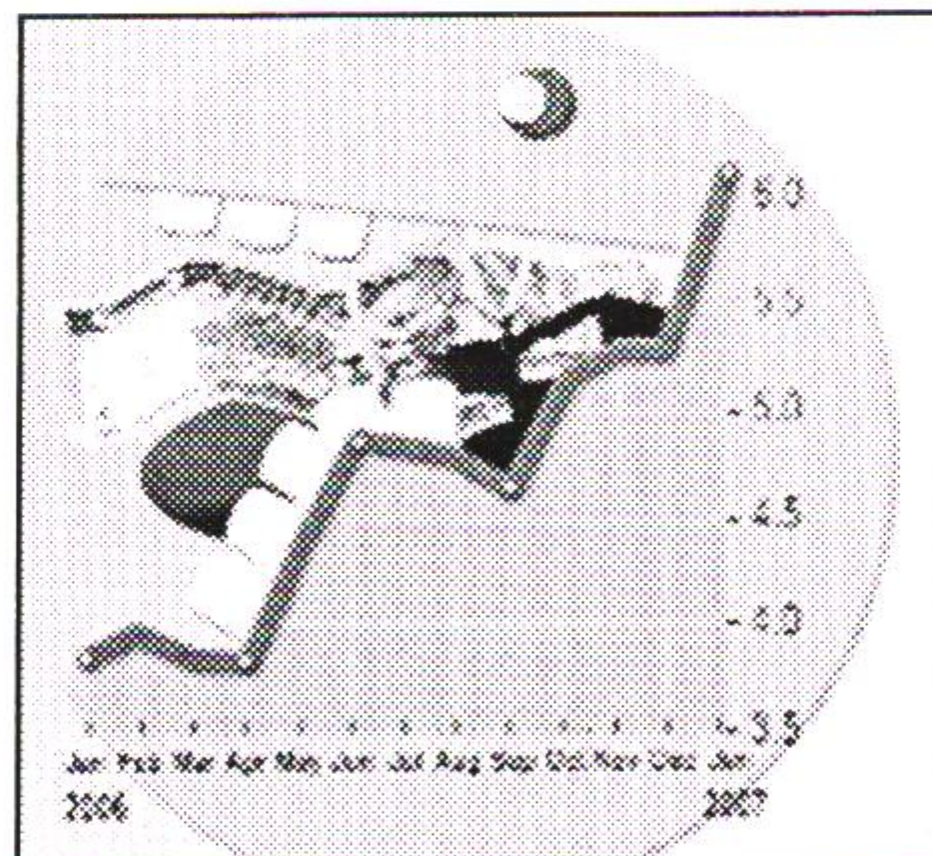
There were hopes that the collapse of the pound (which makes it very expensive to live abroad or buy imported goods) would at least have the effect of making exports cheaper and giving manufacturing a boost. That hope has been dashed. The Office of National Statistics reported a 0.5% fall in industrial production between April and May. The fall is across the board and comes after years of stagnation in industrial production and a haemorrhage of manufacturing jobs.

The public sector is taking a hammering. 'Prudent' Gordon Brown built up massive deficits in government spending during the boom years that have now come to an end. Now he's desperate to make cuts. Deficit in boom years is not supposed to happen. During an economic upswing the government's tax take should be buoyant, allowing a surplus to build up. This should allow the government to go into deficit during lean years. Government spending should thus

function as an 'automatic stabiliser.' New Labour have managed to build up a deficit of almost £50bn (a European record) so they can't stimulate the economy as it moves into recession. In fact the recession will make the fiscal crisis worse.

Inflation

Meanwhile inflation is officially at a 16 year high. Food prices, which hit the poor hardest, are going up much faster than other items. The Bank of England is committed to manipulate interest rates so as to stop inflation getting out of control. The present system is predicated on the belief that "inflation is always and everywhere a monetary phenomenon," as Milton Friedman said. According to this belief the Bank should concentrate on controlling inflation with interest rates and the 'real economy' will look after itself. It is because of the fear of inflation that interest rates are so high. The

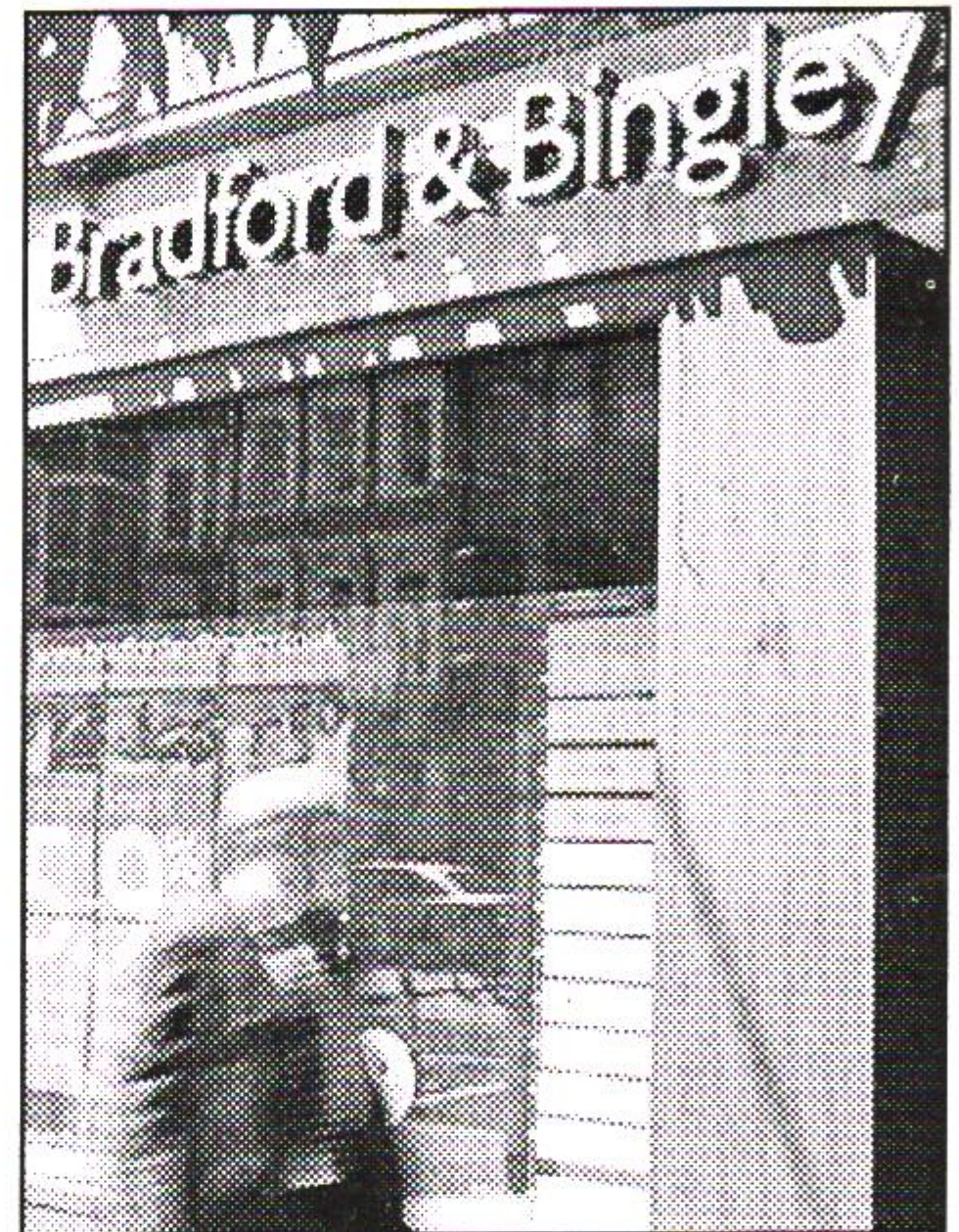


Inflation at a 16 year high

architect of this monetarist policy was Gordon Brown. In fact this crackpot system works because interest rates and the operation of the real economy are inseparably intertwined. Raising interest rates hurts borrowers and hurts industry, so output will be lower and the economy less over-heated. It is like the way medieval doctors used bleeding to subdue a fever. The fever subsides because the body is weakened, but the cause of the fever is not dealt with.

Distress

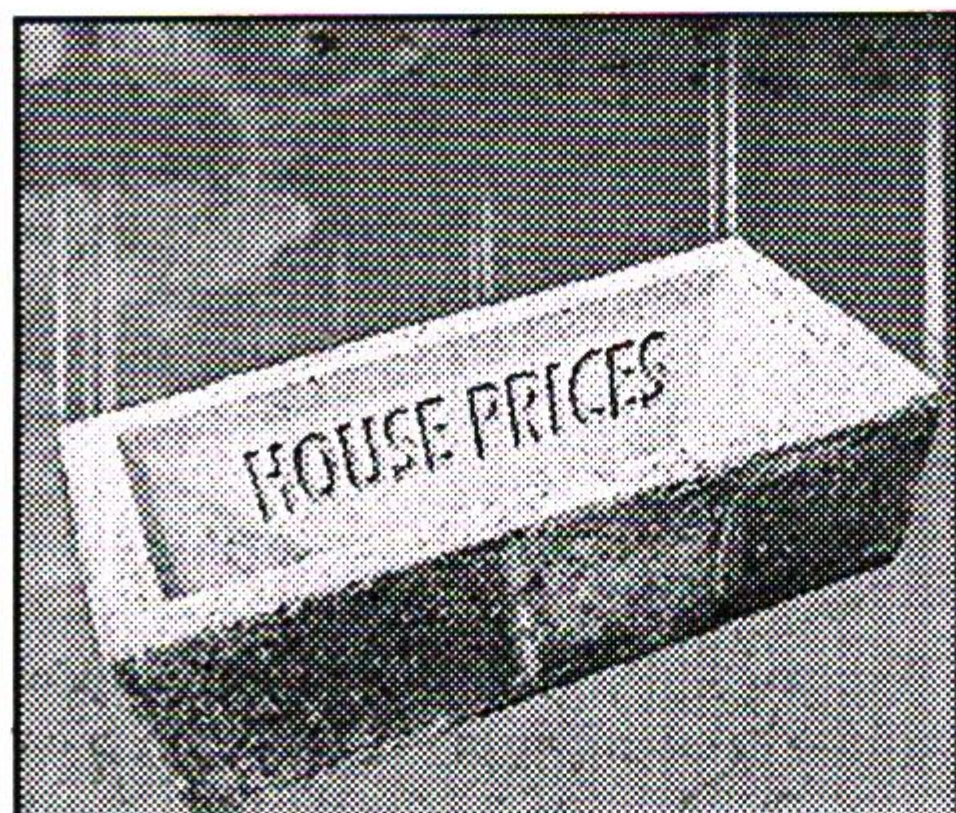
Financial distress continues to spread. Alliance and Leicester's shares have fallen so sharply that it was easy pickings for Grupo Santander to take over. Bradford and Bingley may not be



Bradford & Bingley's value: worth a tenth of what it was two years ago

so 'lucky'. "The buyers should be queuing up: Bradford & Bingley's value has plunged to less than £300m, a sixth of its value at the start of the year and just a tenth of what it was worth this time two years ago...Yet last year, Bradford & Bingley made more than £350m profit before tax - more, that is, than its market value last week - and it has £40bn of mortgage loans and £20bn of savings balances. Even allowing for the Armageddon that seems to be breaking out in the housing market, that must surely be worth something?" (Heather Connon Observer 13.07.08) At present the answer seems to be 'no'.

But what about that Armageddon? As we have been pointing out for the past year, the housing market is the node at which the financial crisis is impacting on the real economy. Everyone knows now that soaring



House prices falling

house prices for the past five years were a classic economic bubble. It is now certain that the bubble has definitively burst. It started in the States a year ago with the sub-prime mortgage scandal that pricked the bubble. That crisis led to the 'credit crunch' - a paralysis of the financial system as the realisation spread that countless billions of paper assets were actually worthless and the financial colossus was built on feet of clay.

Armageddon

House prices are falling. Every survey shows a steeper fall than the last. Halifax suggested a 25% fall this year, but even that could prove too optimistic. So what? Weren't house prices ridiculously high before, making it impossible for first time buyers to get a foot on the rung of the housing ladder? Unfortunately houses are going to be less affordable, not more, as the crisis bites. One reason is because the banks have had their fingers burned, they are more cautious now. 100% mortgages are a thing of the past. The mortgage providers demand cash up front - typically a 20% deposit. In London it means a homebuyer has to stump up more than £27,000 - a whole year's wages - as the 'Metro' pointed out.

Housing market

The housing market is in meltdown. Persimmon reports a 45% drop in sales, the lowest level for 30 years. If you want to buy a house and prices are falling, then you're going to wait till you reckon they've hit rock bottom. If you've just bought a house and the price is plummeting, you can't afford

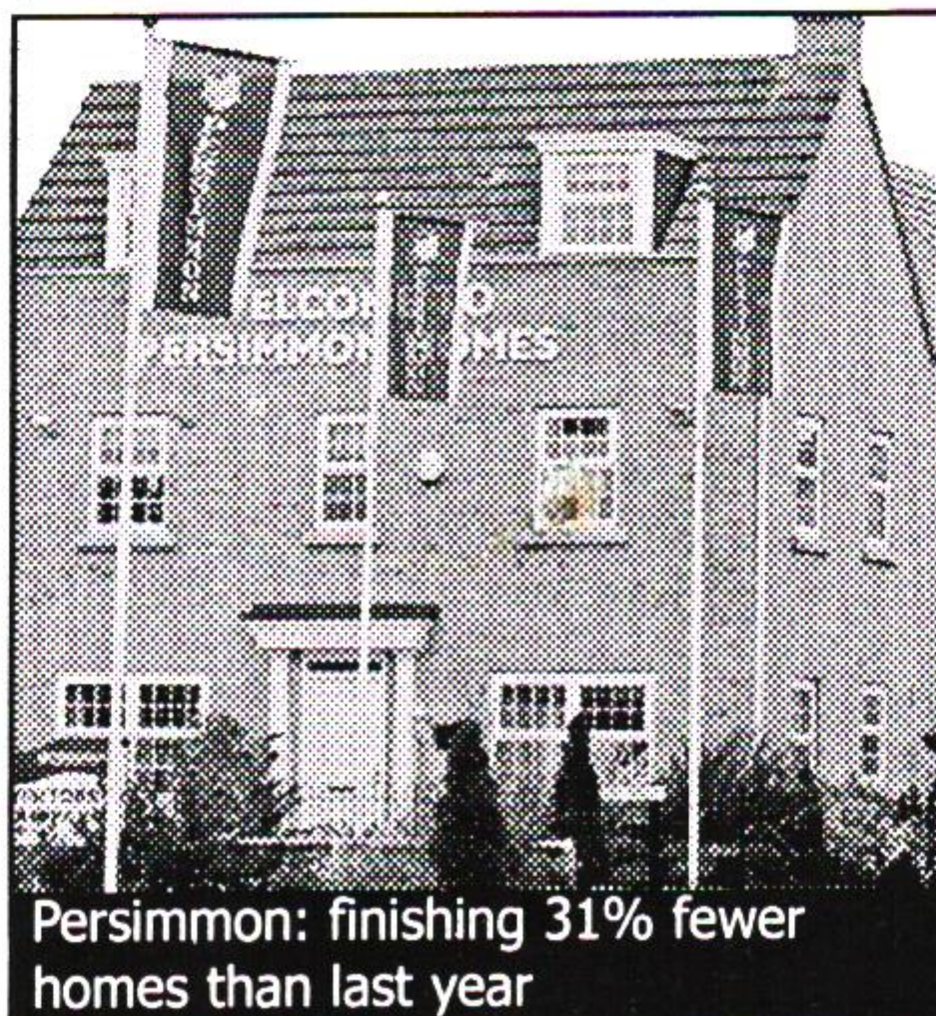
to move unless you're seriously prepared to trade down. Unless you're desperate, you'll wait. If you bought your house a year ago its resale price is falling but you still have to pay a mortgage based on its asset-bubble price. So the volume of sales has collapsed. Axa estimates that houses are 30% overvalued and that, with the impending house price crash, 1.8m households will be unable to pay their mortgages or in negative equity - forking out for a home they can't afford and can't sell.

Housebuilding

So, if they can't sell houses, why keep building them? Housebuilding has virtually come to a halt. Estimates range from only 80,000 to 120,000 completions this year (In 2007 it was almost 175,000). For instance Persimmon plans to finish 11,000 homes - down from 16,000 in 2007. Last week alone the big building firms announced 4,000 redundancies. But that is just the tip of the iceberg. The construction industry is overwhelmingly casualised. Most building workers are employed by subcontractors, not by Persimmon, Barratt, Bovis and the rest. Construction employs 2m workers and, as house building collapses, swathes of redundancies in the industry seem inevitable. And, according to Capital Economics, "the housing market correction is only in its early stages."

Building companies

Building companies are feeling the pinch. Barratt shares have gone from



Persimmon: finishing 31% fewer homes than last year

£12 at the peak of the boom to 67p now. As a result the crisis-hit companies have to contemplate selling their land banks. But of course they bought land in the heady days of the housing bubble. They're not going to get the same price as they paid for it back then. Their alternative is to approach the bank manager to recapitalise their firms. But bank managers are wary of people approaching them with outstretched palms these days.

So the credit crunch hits the building firms and the crisis in the construction industry impacts back on the problems of the banks. It's a vicious cycle. And there's no end in sight. Commentators have begun to suggest it could drag on for years. Certainly the housing crisis could take five years or more to unravel. Unemployment has already begun to rise. Officially it is 1.65m but this is early beginnings. In June it went up by 15,000, the biggest rise for 16 years. Unemployment is described as a lagging indicator. The first reaction of bosses to bad times is not to sack skilled and experienced workers. It is to hang on in there and see how long the crisis is likely to last. But capitalism is a system based on profit, and profits are shrivelling. It is inevitable that the bosses will try to load their problems on to the backs of the working class through layoffs and cutting wages. There's a recession on its way - no doubt about it.

Unemployment

For ten years Gordon Brown has been mouthing the phrase "no return to boom and bust". Now we see it is meaningless. Darling in his Mansion House speech in June also brushed off the threat of recession, asserting that "our economy will continue to grow." But there has been a boom and it has turned to bust. Brown and Darling are denying what is going on in the real world before their eyes. They can't do anything about the recession since they are not prepared to act against the source of the problem, the capitalist system. More and more people will begin to see that if the only way we can control the economic system and make it work in our interests is if we own it. □

The credit crunch - one year later

by Michael Roberts

AS I write, it is one year since the great global credit crunch began. On 6 August 2007, America's second-largest mortgage lender American Home Mortgage Investment Corp filed for bankruptcy. Three days later, France's biggest bank, BNP-Paribas announced that it was freezing redemptions on three of its investment funds in sub-prime mortgages. Immediately, the European Central Bank announced it was injecting E75bn into the financial system. Only a few days later, the US Federal Reserve Bank announced a 50 base points cut in its funds rate and injected extra liquidity into the system. The credit crunch had begun!

One year on, this earthquake in the global financial system has left banks, insurers, pension and municipal funds, hedge funds and private equity companies tottering and falling. Collateral damage has been immense and the after-shocks are still to come.

After-shocks

How did it come about? Well, the trigger (but not the gun) was the collapse of the US housing market and the debacle of the so-called sub-prime mortgage market. As in many countries of the Anglo-Saxon world (the US, the UK, Australasia, Ireland) and even parts of Europe (Scandinavia, the Baltic states, Spain, Hungary etc), there had been a massive boom in house prices, particularly after the mild economic recession in the OECD of 2001. House prices had never risen so much and so fast.

Cheap credit from the banks and mortgage lenders enabled home owners to borrow hugely on the back of their house values. At one point, according to the great guru of American finance himself, Alan

Greenspan, American home owners were taking \$1trn each year out of the 'value' of their homes to spend. This fuelled consumer spending and economic growth, as well as the stock market.

But it was all based on a lie. No real values were being created. Indeed, US and British householders were saving nothing. Household savings rates had dropped from 13% of disposable income in the 1990s to negative in 2005.

The credit-fuelled economy was a huge bubble waiting to burst. And so it did.

Eventually house prices got so high in the US that first-time buyers could no longer get on the ladder. They had been encouraged and cajoled to do so with sub-prime mortgages, in effect loans that required no deposits, no proof of income and no initial payments for the first six months etc. These loans were cynically sold to people (often on very low incomes in poor housing areas, mostly black and Hispanic) who very soon realized that they could not maintain the payments. Eventually, the housing bubble was pricked, beginning in 2006 and gathering pace to the collapse of summer 2007.

It was then that the banks and other financial institutions realized they were in trouble. They had made these loans and had then packaged them up as bonds or securities to be sold and sold again around the world to all sorts. The risk of default on the mortgages was thus spread around or 'diversified'. In reality, it just meant that when the housing bubble burst, it affected not just mortgage lenders but all sorts of investors, big and small.

And it was not just the small town lenders and councils that took the hit. The great credit bubble burst eventually took down some of the giants of

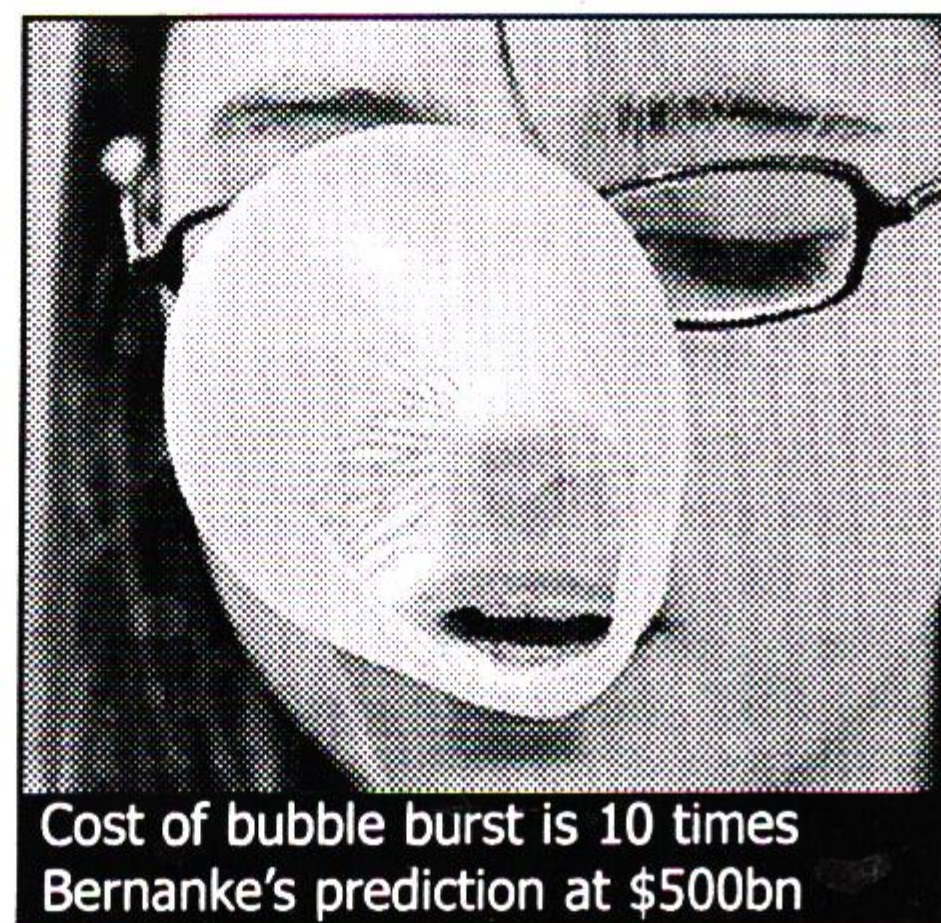
the global finance. In March, the US Federal Reserve was forced to rescue the fifth-largest investment house in Wall Street, Bear Stearns, when the securities firm faced bankruptcy and its failure could have led to a widespread financial collapse. As Ben Bernanke, the head of the Fed put it: "The adverse effects would not have been confined to the financial system but would have been felt broadly in the real economy through its effects on asset values and credit availability".

Bubble burst

The Fed agreed to give emergency funding to Bear Stearns after a run on the company wiped out its cash reserves in two days. During the weekend following the rescue, Fed officials helped arrange a takeover by JP Morgan at a fraction of Bear Stearns's market value.

All this was a far cry from the comments of Bernanke when the credit crunch first broke last summer. Then he said the bursting bubble would cost no more than \$50bn and there would be just a few failures of some small regional banks invested in real estate.

As we review the collateral damage now, the current score of bank losses globally (and still counting) is \$500bn, ten times Bernanke's forecast.



Cost of bubble burst is 10 times Bernanke's prediction at \$500bn

Moreover, up to 30 regional banks and mortgage lenders have gone bust in the US; and we know about Northern Rock in the UK (bailed out by £30bn of taxpayers' money); as well as the 'rogue trader' scandal of \$6bn in France's Societe Generale - and we could go on.

Indeed, any reasonable estimate of the total financial damage globally puts the figure at over \$1trn (the IMF) or even \$2trn. That's compared to world GDP of about \$60trn, or 3% of world GDP. That is how much global growth is likely to lose over the next year. Given that global economic growth, including fast-growing India and China, is about 5%, that would take world growth below the 2.5% that the IMF reckons is needed to sustain employment and incomes on average in the world. And in the more advanced capitalist countries of the US, Europe and Japan, economic growth is likely to be below 1% or even negative in the next year.

Figures for the economy in the last few weeks suggest that now all of the G7 economies (the group of the major advanced economies including US, UK, Japan, Germany, France, Italy and Canada) are already in a recession or close to tipping into one. Other advanced economies or emerging markets (the rest of the Eurozone; New Zealand, Iceland, Estonia, Latvia and some South-East European economies) are also on the tip of a recessionary hard landing.

Hard landing

And once this group of 20-plus economies enters into a recession, there will be a sharp growth slowdown in the BRICs (Brazil, Russia, India and China) and other emerging market economies. For example, a country like China - that even with a growth rate of 10%-plus has officially thousands of riots and protests a year - needs to move 15m poor rural farmers to the modern urban industrial sector with higher wages every year just to maintain the legitimacy of its regime. So for China a growth rate of 6% would be equivalent to a recession. It now looks like that, by the end of this year or early 2009, the global economy will have that.

At the start of this article, I said that the housing collapse and the sub-prime mortgage debacle was the trigger for the credit crunch. But it was not the gun. The gun was the anarchic and crisis-ridden nature of the capitalist system of production. The bullet was declining profitability.

Capitalism, contrary to the views of the dumbest of capitalist apologists (usually the heads of government like George Bush or Gordon Brown; or the heads of the central banks and finance houses), does not grow in a straight line upwards. The very nature of production for private profit with companies, individuals and investors competing and gambling against each other leads to excessive and blind investment and expansion. The result is a massive waste of resources and damage to people's lives.

Credit bubbles and subsequent crunches are not new. Indeed, they happen whenever the productive sectors of capitalism start to experience slowdown, namely profitability (the rate of profit) begins to fall. Then capitalists and financiers try to compensate by investing more into areas that are less productive, but provide better returns for a while (real estate, stock markets, fine art, gold etc).

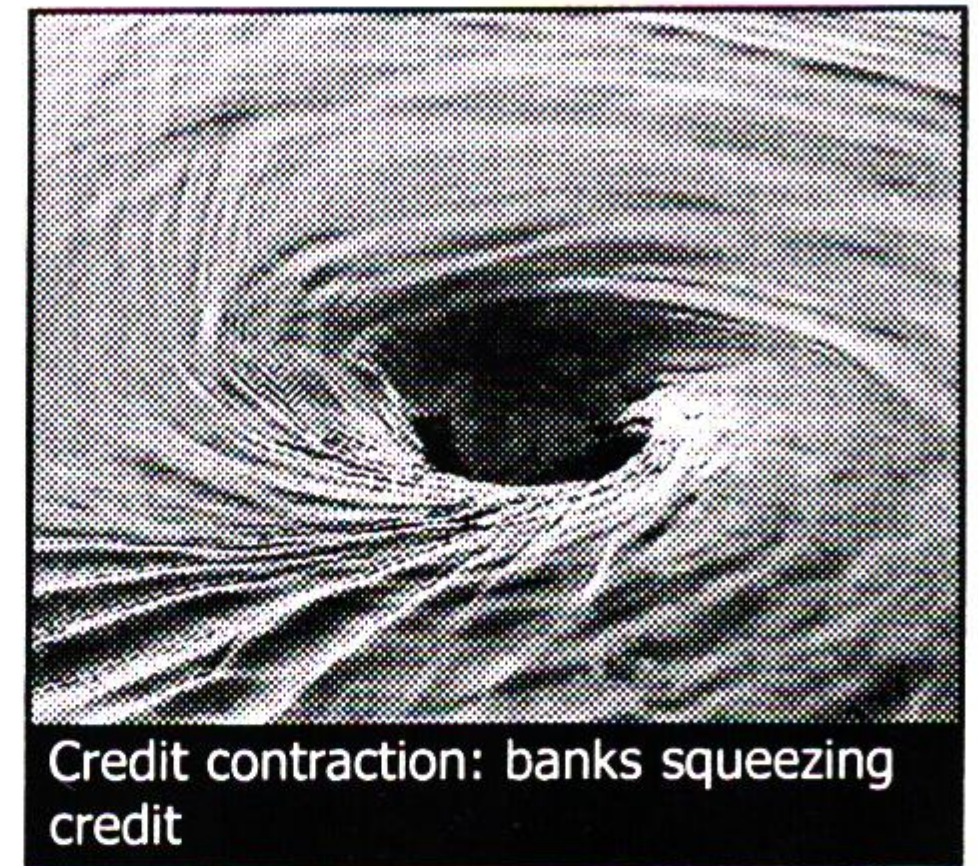
What is different about this credit crunch is that it involved new ways of expanding credit beyond the productive capacity of capitalism. Traditional bank lending gave way to loans that were converted into weird and wonderful new forms of bonds and securities that were sold onto all and sundry as 'safe and profitable' investments. And bets and hedges called derivatives were also sold and bought on top of them. The global credit market (including loans, bonds and derivatives) expanded from three times world GDP to 12 times in just ten years.

Contraction

So this credit bubble (the expansion of fictitious capital, as Marx called it) is different because it was huge and it was global. The impact will be the same: huge and global.

As the credit boom exploded, profitability of the productive sectors began to decline, particularly after

2005 (according to my figures). The credit bubble expanded even more in response. But just like a yo yo, credit growth reached its limit and has now



Credit contraction: banks squeezing credit

jumped back with a vengeance.

The credit contraction is now experienced every day by people trying to get a mortgage for a house; borrow money to invest in new equipment or expand a business; or just to make ends meet. The banks won't lend or if they do it is at exorbitant rates. With the banks squeezing credit, households must save, not spend and businesses must contract, not expand.

The credit crunch one year later means global economic recession one year (or more) onwards. That means housing repossessions, business bankruptcies, rising unemployment, falling real incomes and more loss of productive capacity. This is the bleak reality of the capitalist system of production.

Sure, now all the talk in the councils of government and high finance is that they have learnt the lessons of the crunch and they will 'regulate' and 'monitor' to ensure that it does not happen again. It won't - in the same way. But as sure as the night is black, if capitalism continues as the system of the human organization, there will be more crunches and economic crises, even if the apologists' lies and excuses take a different form.

Indeed, I'll finish with a prediction. This latest global economic recession will be one of the most severe; perhaps matching that of 1980-2. Eventually, global capitalism will recover, say from 2010 onwards. But this recession won't be the last before 2020. There will be another, perhaps even worse, before the next decade is out. □

World Congress



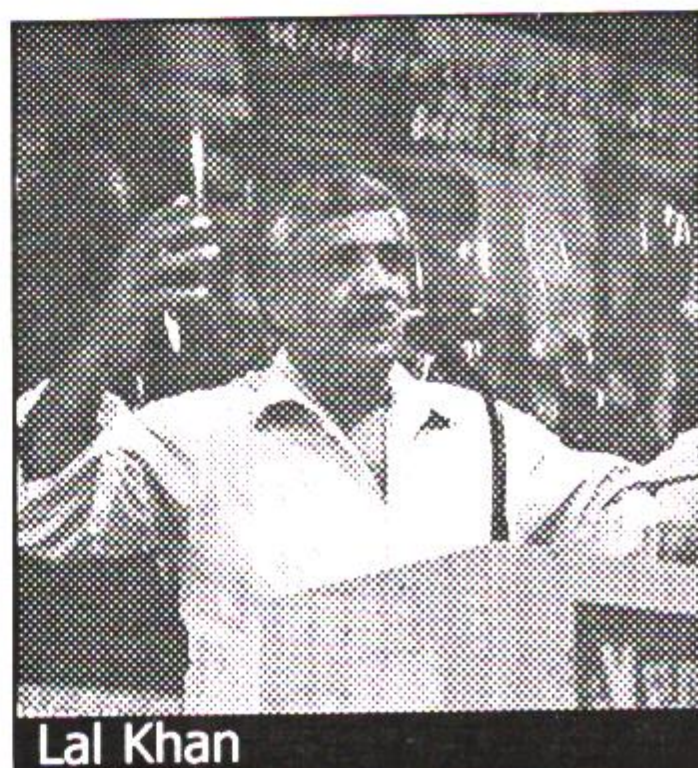
World Cong

by Dan Morley

IF YOU were in Barcelona for late July/early August, you could have been forgiven for thinking that you had gone back in time to 1936 - for the International Marxist Tendency (IMT) was holding its World Congress, and the atmosphere was genuinely revolutionary! 350 comrades from around the world came for a week of discussion of World Perspectives, and to vote on resolutions. Making up this number were comrades from Spain, Italy, France, Britain, Ireland, Denmark, Austria, Germany, Sweden, Poland, Belgium, Greece, Serbia, Slovakia, Russia, USA, Canada, Mexico, Venezuela, Argentina, Bolivia and Pakistan.

Alan Woods opened the two day long discussion on world perspectives, focusing on the crisis of capitalism, not in purely economic terms, but in human terms, "The World Food Crisis is starving millions to death. Capitalism must die for the human race to live!" The discussion focused on how

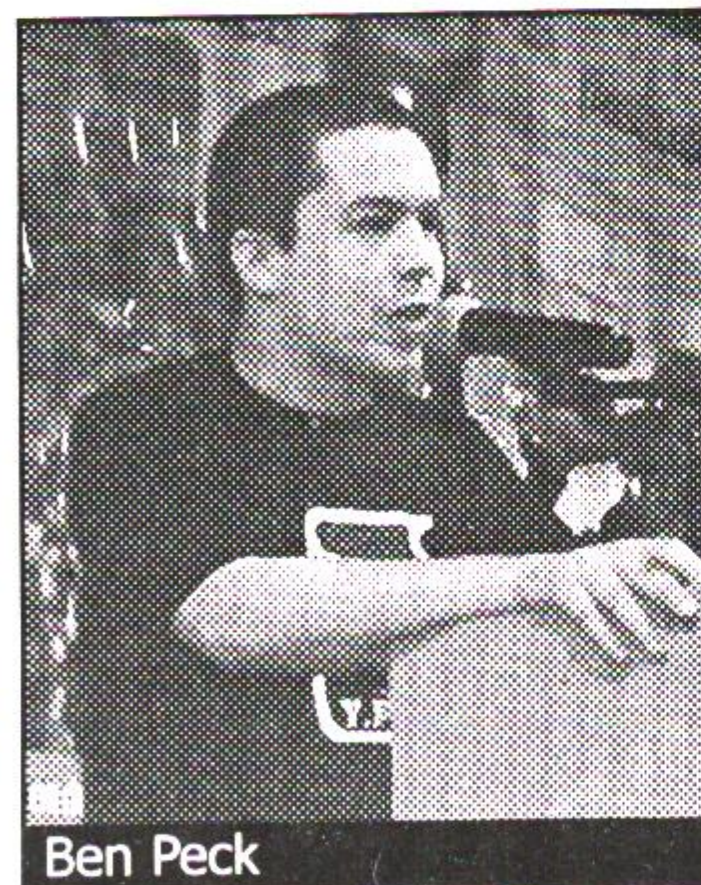
the crisis of capitalism has completely changed the world situation, and is a necessary step in transforming the consciousness of the working class. Rob Sewell, of Britain, pointed out how this shaking of confidence in capitalism has affected even the bourgeoisie: "Serious strategists of capital being forced to come to similar conclusions as Marxists, although from an opposite perspective. As Robert Reich, Clinton's Labour Secretary, said, 'the global economy is entering a 'perfect storm'." Lal Khan then



Lal Khan

led a day long discussion on the situation in Pakistan, where the crisis the reformist PPP leadership is

giving our ideas a huge echo. There was another day long discussion on Venezuela, led off by Francisco Rivera, where despite our relatively small numbers, our ideas are having an even bigger echo, gaining some influence over



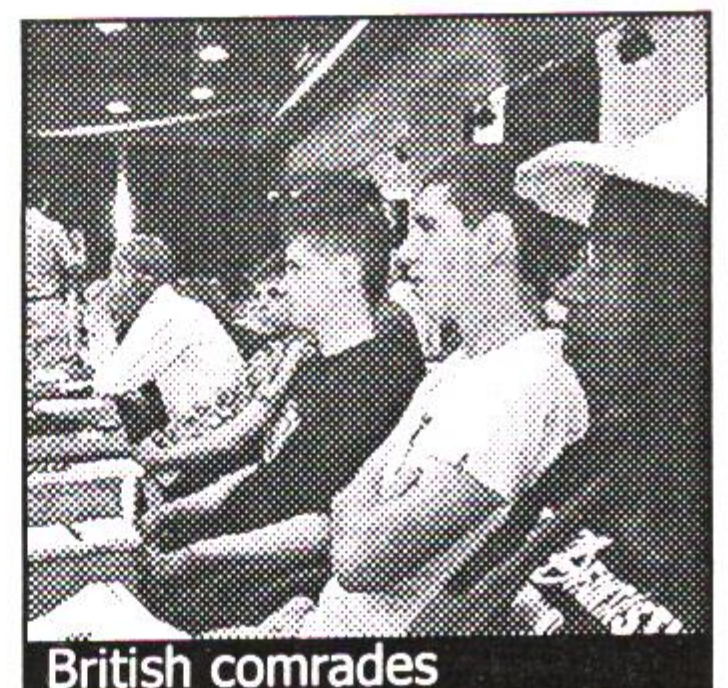
Ben Peck

the working class, the PSUV and the occupied factories! Ben Peck gave the report from Britain, saying "The global economic crisis is already radicalising British youth. This is reflected in the fact that we have attracted a fresh layer of young comrades, breathing new life into Socialist Appeal. This remarkable

International Report inspires us to build and grow even more."

During the breaks in meetings, the various sections from around the world displayed the products of their labour, with newspapers, books, posters, DVDs and t-shirts for sale.

Fred Weston gave a report on the growth of the IMT over the last year, which has been fantastic. Our influence, especially over the whole of Latin America, is growing. This is reflected in our highest ever total for the International Collection, also led by Fred, at €38,000. But the growth of size and influence of the International, without doubt the 'theme' of the congress, was most emphatically proven at the end of the



British comrades

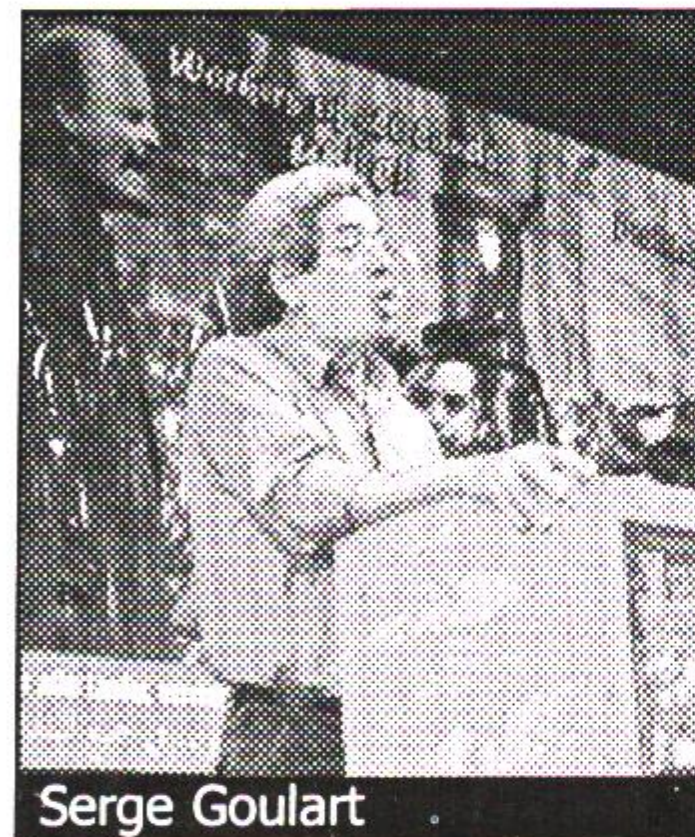
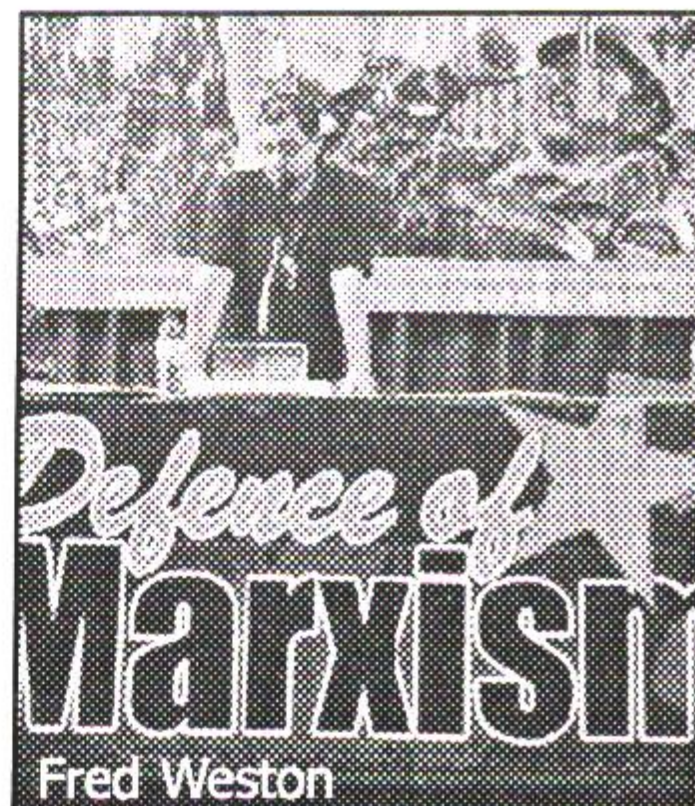


gress 2008

congress, when the requests for affiliation from Brazil's Esquerda Marxista, who lead the occupied factories and Black Socialist Movement, El Salvador's BPJ, Switzerland's Der Funke and Iran's Militant were all passed unanimously, amid rapturous applause and spontaneous standing ovations. The atmosphere was one of international solidarity and enormous optimism. Other resolutions passed were in support of the recent nationalisation of the Banco De Venezuela, in support of Evo Morales in Bolivia's recall referendum and the for the progress of the socialist revolution there, and in support of the 'Cuban Five' facing repression in the US.

The overall mood of the congress was electric. Despite international Marxism's relatively small numbers, we can have an influence far beyond our size because our ideas express necessity. One comrade said, "If anyone else came here, and saw 350 people who want their ideas

to take over the world, they would think they are mad. But the world needs our ideas, and no one else has them." The power of our ideas is such that this congress witnessed those from different revolutionary traditions in different parts of the world joining us. What unites us is our understanding of the world situation of capitalism, and of the Latin American revolution. We are beginning to really rebuild the forces and ideas of international revolutionary socialism for the first time since the beginnings of the Third International in the early 1920s. As Serge Goulart of the new Brazilian section said, "If Trotsky had the IMT in 1938, the course



Serge Goulart

of history would have been radically altered." The crisis

of global capitalism is producing a global crisis of reformism on a scale never before seen. This has given the IMT tremendous opportunities for growth. As Alan Woods summed up the congress, "In the 1930s the American Industrial Workers of the World had a slogan - 'One Big Union of all the Workers: The Greatest Thing on Earth'. Comrades, this International is the greatest thing on earth. Go forward!" □



Fighting for decent homes

by Ed Doveton

In the last issue, Ed dealt with the housing shortage, the renting crisis and the attack on public housing. Here he deals with home ownership and outlines a socialist programme.

IN THE absence of decent rented accommodation, thousands of people look to buy in order to get a roof over their heads. But this is a major problem for people. The Royal Institution of Chartered Surveyors estimates that affordability for first-time buyers has fallen by 351% over the last 10 years. Equally, repossessions were up 20% during 2007, which hit an eight-year high. This amounted to 27,100 people who had their properties seized during the year. In the first quarter of 2008, there was a further 17% rise in the number of repossession orders compared to the same period in 2007. With repossession orders rising, it is likely that the number of repossessions this year will dramatically increase. The Council of Mortgage Lenders has predicted that repossessions would reach 45,000 this year - a rise of over 50% on 2007.

There is a myth that many people in Britain own their own homes. The reality is that the mortgage companies own most of these homes - the people in the houses are effectively paying a type of high rent, for most of their lives. What value is that ownership? They can hardly sell up, pocket the money and live in a tent! In reality, mortgages are rents paid as debts.

The total owed by the UK's 11.6 million mortgage 'home-owners' is more than £1 trillion. This figure is massive and is nearly equal to the UK's entire economic output. Nor will working people in their senior years be secure, when eventually the mortgage is paid off. The crisis of capitalism is now demanding that governments start charging for care for the elderly, rather than continue the care previously provided through the NHS and local council services. The bills will run into tens of thousands of pounds, and they

are demanding payment based on the value of 'home-ownership'. Having paid surrogate rent all their lives through mortgages, these 'home-owners' will now be faced with losing their home in their remaining years to pay for care. Needless to say, this will not trouble the wealthy, but highlights sharply the con-trick of home-ownership for working people in this society.

And before individual mortgages end, there are years of paying them off. In 2003, about a third of the take-home pay of a home-owner, on average earnings, was spent on mortgage repayments; by 2006 this figure was 42%. In 2008 first time buyers were spending 35% of their disposable income in mortgages - even with two people working! If we add to these payments the rocketing bills of other household expenses such as energy and food (where prices are rising at their fastest since records began), then we can understand that mortgagees are facing major problems.

If you want to move, you need to sell up. This means paying estate agents' fees and tax to the government to purchase your alternative 'new' house. If you decide to stay and decorate or extend the home, that is also going to cost. The recent BCIS updated Property Makeover Price Guide for 2008 has estimated that the average cost of home improvement work has risen by 20% over the past two years. So much for wage increases below 3%!

Little Hope from New Labour

The shortage of decent housing, has been an eternal problem for working people; capitalism is simply not interested in people's needs, only profits. However, even in terms of the historical crisis of housing, the situation has deteriorated over the last twenty five years, and further deteriorated in the last ten years under New Labour. The deterioration is a direct consequence of abandoning public sector housing and letting the market supply housing needs.

It is with some disbelief that after ten years of government, New Labour, which has given public sector housing no support, but instead has undermined it with a series of stealth privatisation measures, has introduced the Housing and Regeneration Bill, which passed the Commons and is currently in the House of Lords. The launch of the bill as the Housing Green Paper in 2007 set a target of building three million new homes by 2020, and two million of these by 2016. Note that the emphasis is on 'targets' for other people to reach, not a commitment by the government to actually build these houses. Such figures would be unrealistic for the market in the best of times, let alone in the current sub-prime mortgage crisis when house building is plummeting.

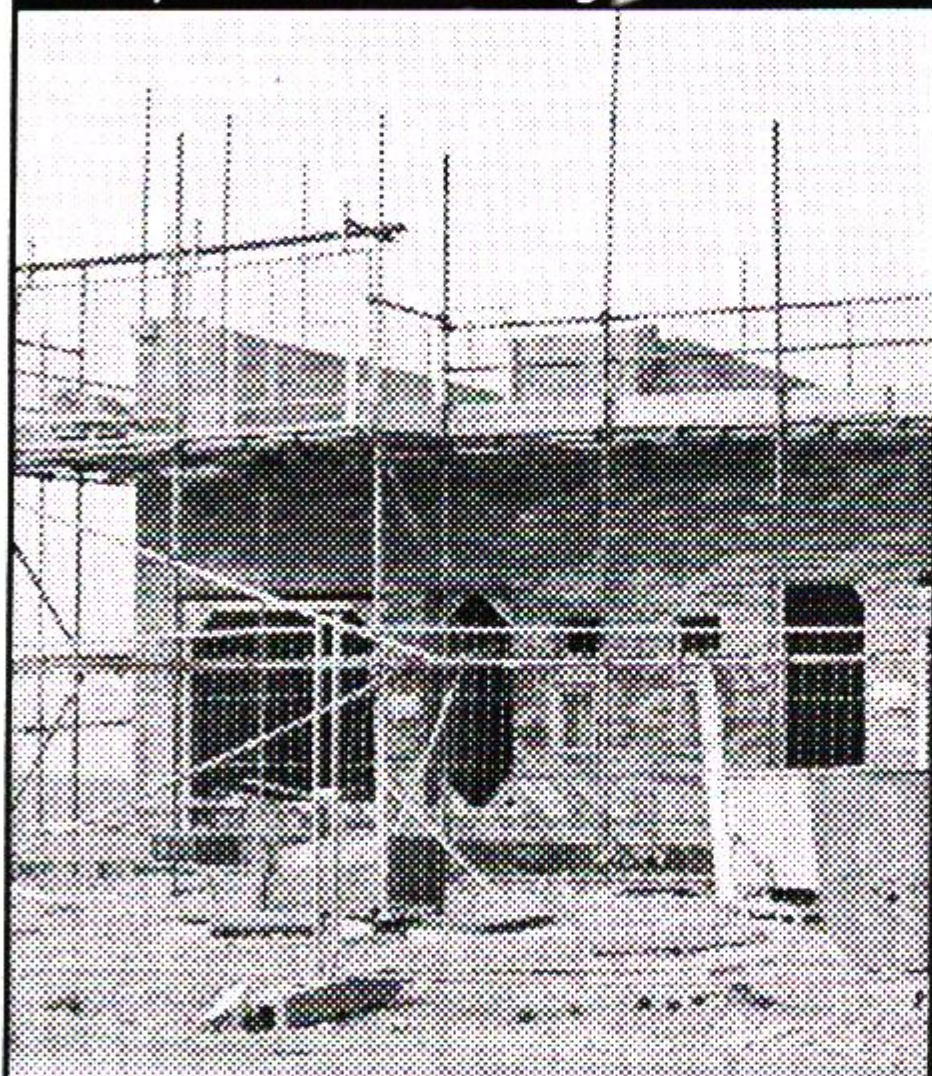
There is little that is positive in the Bill. The release of public sector land for housing is a further sell-off of public assets. The environmental spin about new carbon-neutral eco-towns sounds good, but is again targeted at the private sector, who will have to 'bid' for the projects. The Green Paper only plans for an extra 20,000 'social rented homes', which is the spin word for 'but not council houses', with the details of how the building will actually happen left vague. In any case, the figure itself is a mere drop in a brick-yard pond - millions of homes are needed, not 20,000! But what is critical in the Bill is a series of proposals which are set to further undermine public sector housing, attacking the security of tenure of tenants and opening the door to wider privatisation.

The presentation of the Housing and Regeneration Bill in early April caused one of the largest backbench revolts against Gordon Brown, as it was rightly seen as a direct threat to council housing. Twenty-eight MPs backed an amendment to soften the worst aspects of the Bill - but the revolt was defeated, not surprisingly by the Tories supporting the government.

The Madness of the Market

In 2001, the number of extra homes built was the lowest since 1924. Last year house building dropped 10% from the previous year to about 170,000. The situation has been bad for several years; but a sharper downturn began in 2006, so much so that in England, during the last quarter to December 2007, there were only around 37,900 building starts. This is expected to get much worse over the coming year as the credit crunch bites. In terms of council houses, successive government policies have created a situation where hardly any new council houses have been built for the last 20 years.

Last year house building declined 10%



The housing shortage has led to very steep rises in house prices over the past few years, so that many people are now priced out of the house buying market. Even the projected 20% fall in the coming twelve months because of market failure, will do little to help people not on the 'housing ladder', and it will cripple many young people who bought houses over the last couple of years.

The failure of the pro-market New Labour government and the policies of the Conservatives before them is the failure of the market to meet housing needs. We need to be honest: the driving force behind the market is not the meeting of people's needs, but the pursuit of profits by capitalists, who then 'might' meet people's needs - if they can make money out of it. This point is important, because if there are

no profits, then housing will not be supplied - regardless of need. If the capitalist can make more money by speculating on the stock exchange, or by keeping housing in short supply so the price goes up, then this will determine how many houses we have. The whole system is chaotic, unplanned, with booms and over-pricing followed by crisis. This process only benefits the wealthy, leaving the majority of the population homeless, or else paying high rents or mortgages. And in the twenty-first century millions continue to live in overcrowded and squalid conditions.

The Land - Who Owns It?

The other main factor affecting housing in Britain is the private ownership of land. The vast majority of land is in the hands of a few billionaire and millionaire landowners. These people are controlling the availability of land, often in prime building areas. The total of all home-owners (with and without mortgages) is around 17 million people; but they only own a total of 3 million acres of land. Most house owners, taking the size of the average terrace or semi-detached, and including both the house and garden, own only about 0.18 of an acre of land. This compares to 40,000 millionaire landowners who control over 28 million acres. For those interested, this figure does not include the 677,000 acres controlled and owned by the Royal Family.

If the land you want to build on is owned by just a few mega rich people, this can make it in 'short-supply', then the price they can charge under the market system goes up. It is not planning permission which is limiting house building, but the power of these land barons. Their control results in both increases in the price of houses for sale and in the cost of public house building; overall it limits how many houses are built.

All these facts and figures speak for themselves. There is a massive need for affordable housing for young single people, for families and for pensioners - but this need is not being met. The market has failed, and it is time for a change. We need a national planned housing policy designed and resourced

to meet people's needs.

Socialist Policies, Socialist Government

The Labour Party has been hijacked by Tories-in-disguise, parading under the label New Labour. We just get ministers who promote big business profits and attack working people, undermining wages and ignoring housing issues. It is time to reclaim the Labour Party and select candidates who represent working people; not MPs who represent only themselves and the rich. We need a Socialist Labour Government.

Through our trade unions, and working through the Labour Party, we should be fighting to:

- Reject the chaos of the market, and fight for a planned and organised housing policy to meet people's needs
- Put all the banks and finance houses into public ownership (Northern Rock should be the start); do away with market mortgage uncertainties; provide fixed stable loans for existing one-home house owners
- Employ the 1.2 million workers in the construction industry for a building programme of 500,000 new housing units per year, with affordable rents for single people, families and pensioners
- Begin an immediate programme to renovate and refurbish the existing public housing stock
- Fix the level of public housing rents to an agreed percentage of the tenants' earnings, up to a maximum, based on a percentage of the average wage
- Take into public ownership the vast landed estates; free land for housing development and public recreational use
- Take into public ownership the construction industry, working in conjunction with a national housing plan
- Manage all public organisations of finance, construction and the housing stock based on the principle of democratic participation and control of those who work in those organisations, the tenants and the communities they are serving. We want democracy in our lives; and communities, not dictates from the boardrooms! □

Confuse and Conceal

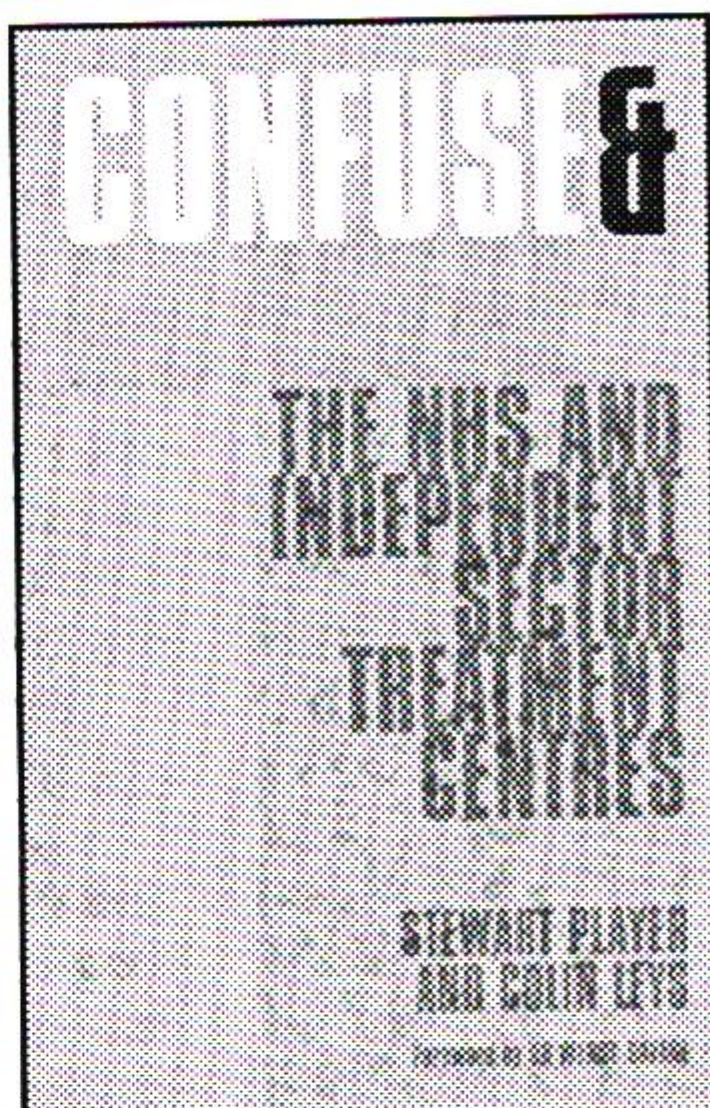
Reviewed by Eric Hollies

THIS BOOK is written in the classic muck-raking style. But then, there's a great deal of muck to be raked. It deals with the introduction of Independent Sector Treatment Centres into the NHS. ISTCs are capitalist firms operating for profit. It was a New Labour brain-wave for them to be given NHS surgical procedures to perform. The argument was that harnessing the private sector would help do away with the horribly long hospital waiting lists left after 18 years of Tory penny pinching.

Actually we never needed them. As Player and Leys point out it was later admitted that, "cutting out waiting times for elective care - was being eliminated by the increased funding going to the NHS after 2000." (p. 73) So why were they brought in? There was certainly a great deal of secrecy about the contracts. How dare Labour Health Ministers claim 'commercial confidentiality' when they were spending £5.6bn of our money on the first two wave of ISTCs alone! The stated aims of ISTC involvement were:

- Increasing capacity
- Innovation and best practice
- Increased choice
- Value for money.

Did they provide more hospital beds? The situation is shrouded in secrecy. The Healthcare Commission inflated the number of diagnostic procedures by 420% - 73,000 rather than 234,000 were carried out. Stalin's planners would have



been proud of them.

The authors comment, "As of February 2007 approximately 25% of all work carried out by Wave 1 ISTCs was not additional work but 'transferred activity'; work that would have been carried out by NHS trusts but was instead given to ISTCs and performed by NHS staff. Meanwhile, so far from being short of capacity, some NHS Treatment Centres had actually been closed for lack of demand." (p. 29)

Did they provide skilled staff? No, they poached them from the NHS. At Waltham Forest ISTC 83% of staff were seconded from the NHS.

Did they provide more hospital space? No, the secretive contracts demand that they get first bite of the cherry on hip operations etc, since they are paid for the contracted number of procedures whether they perform them or not (Take or Pay). They get a guaranteed throughput of patients. Yet, according to the House of Commons Health

Committee, "It is far from obvious that the capacity provided by the ISTCs was needed in all areas where Phase 1 ISTCs have been built." (p. 31) Meanwhile NHS wards and hospitals are closed. This is madness.

Do they stimulate quality? Again silence and subterfuge prevail. The Committee found that, "after more than three years there was still no data on clinical outcomes that could be compared with those of NHS hospitals and treatment centres." (p. 46).

British Medical Journal

Professor Wallace of the British Medical Journal has hazarded an assessment. "We expect failures of hip replacements at approximately 1% a year and knees at about 1.5% a year. But we have got some of the ISTCs that are looking at 20% failure rates." (p. 44) Thanks a lot, New Labour.

Here's what else could happen to you (pp. 61-2). "The NHS patient was at Haslar (Gosport) in November 2004 to have an arthroscopy on his left knee and the removal of a cyst on his right knee. On waking from anaesthesia he discovered that surgeons had performed arthroscopies on both knees. During the subsequent journey back to Plymouth - some 200 miles - the ambulance driver stopped at a service station and the patient was invited out. He was on crutches and, due to the driver's failure to assist him, he stumbled and fell. Later the ambulance driver explained that she wasn't qualified to

help him because she was only driving the ambulance for extra cash. Her main job was working for Plymouth aquarium."

But surely the risk-loving entrepreneurs at least cough up when they screw up? No, it's us that pay the bill. The NHS pays the indemnity for private sector failure.

What about choice? "The Health Committee noted that where the establishment of an ISTC led to the closure of NHS facilities, patients would have no more choice than before. It also noted that in the absence of clinical outcome data, patients - and GPs - could not make an informed choice of elective care providers." (p. 48)

ISTCs

How about value for money? Despite the secrecy, we have a result. The Committee heard that prices paid to ISTCs were upwards of 40% over reference costs (now the NHS tariff)" (p. 51) 40% more!

Somebody is determined we should continue to pay for proven failure. When West Oxfordshire PCT decided to award the local contract to the well-rated Oxford Eye Hospital rather than an ISTC, Ms. Hanna told the Committee, "All the non-executive directors were called by the chair of the PCT and were told that he had been told that John Reid (the Secretary of State for Health) wanted a reversal of the decision on his desk by 12 o'clock on the Monday...we all understood that our positions as non-executive directors were

under threat." (p. 50) Of course Reid's only known skill was bullying.

Milburn

What about the rest of New Labour's Health Ministers? Alan Milburn resigned in 2003 to spend more time with his family. He might have mentioned he wanted more quality time with his money. Alan Milburn took a post for £30,000 a year as an adviser to Bridgepoint Capital, a venture capital firm heavily involved in financing private health care firms moving into the NHS, including Alliance Medical, Match Group, Medica and Robina Care Group. He also has 'interests' in US health firm Covidien and Lloyds Pharmacy.



Milburn: interests in private healthcare

What about Patricia Hewitt? What caused her enthusiasm for private health provision? Well, now she's a 'special consultant' to Alliance Boots and a 'special adviser' to Cinven (who own BUPA's hospitals). Civil servant Matthew Swindells (an apt name?), who was Hewitt's chief executive at the NHS, has with indecent haste become head of health for Tribal, the private sector consultancy and service company. Tribal is, of course, bidding for some of

the contracts that Swindells was, until recently, responsible for setting up. Surely a conflict of interests? A long list of other civil servants and New Labour crawlers who have gone through the revolving door from administering a public health system to profiting from private provision are given on page 96. Cuckoos in the nest!

The Health Committee smelled a rat, but the health professionals were working full time to lead them up the garden path. The Committee reported, "It has become clear that the level of capacity required by the local NHS does not justify new ISTC schemes....It is not clear whether this represents a failure coherently to articulate the situation or a more profound incoherence in terms of policy." (p. 64) In fact policy was quite coherent. It was to break up the NHS into bite-sized pieces ready for privatisation.

Sicko

The National Health Service is the most popular institution in Britain. It is Labour's supreme political achievement. Even the Tories say they accept it is here to stay. Now it is being dismantled bit by bit by the corroding acid of money by stealth. Don't let it happen.

Those who have seen Michael Moore's film 'Sicko' (Reviewed in issue 158) will realise what a vastly inferior 'private enterprise' health system Americans put up with. Despite spending twice as much as we do as a proportion of national income on health care, 50m Americans have no health cover. The system is riddled with vast frauds perpetrated by private health care firms. Is that where we're going? No thanks. □

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Oliver Cromwell and the English Revolution

by Rob Sewell

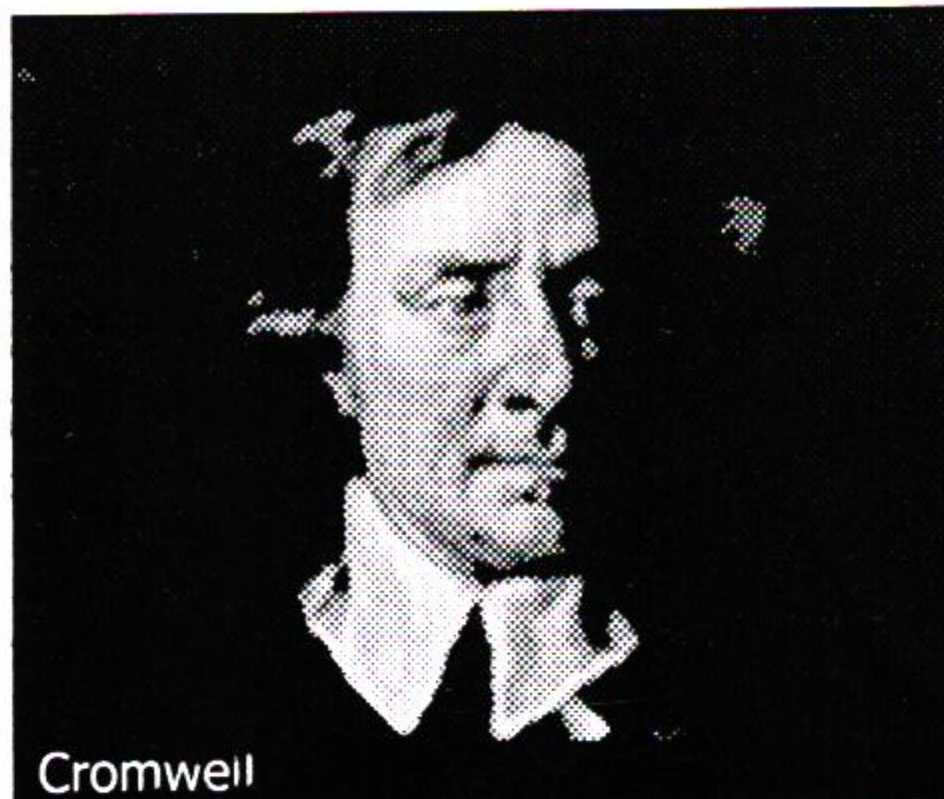
THIS MONTH marks 350 years since the death of Oliver Cromwell, the outstanding leader of the English bourgeois revolution of the 1640s. Without him, with his steadfast courage and determination, the Revolution would have been betrayed by the big bourgeoisie who continually sought an accommodation with the Crown. It is no accident that Cromwell has been described as the Lenin of the English bourgeois revolution.

The English Revolution of 1640-60 was a great social overturn like the French Revolution of 1789. The old feudal regime was destroyed and replaced with a new capitalist social order. The Civil War was a class war which overthrew the despotism of Charles I and the reactionary feudal order that stood behind him. Parliament represented the new rising middle classes of town and country which challenged and defeated the old regime, cutting off the head of the king and abolishing the House of Lords in the process.

During the first part of the 17th century relations between the Crown and the bourgeoisie sharply deteriorated. Charles continually defended the Divine Right of Kings, while the Commons stood for the 'nation', its privileges and inherited rights. These bitter quarrels led invariably to the dissolution of parliaments and ended with the eleven-year lone rule of Charles I.

Charles succeeded in alienating the men of property with the imposition of taxes, forced loans and arbitrary government. Eventually the City of London went on strike and refused a loan. Meanwhile the Scottish army drove south and occupied Newcastle. Charles had no alternative but to again recall Parliament in November 1640. This was known as the Long Parliament, and sat with intermissions for the next twenty years. Within a little over a year, Parliament had split and the class struggle was carried through by Civil War. The fundamental issue was political power.

The conflict was expressed in religious terms, as both sides believed



they were fighting God's battles on earth. However, religion represented something far wider than in today's terms. The Church was the main propaganda weapon of the crown. Bishops and priests acted as state functionaries. Under these circumstances, social conflicts and the class struggle expressed themselves as religious conflicts. We need to uncover the social content behind the theological arguments. By 1640, the church hierarchy and censorship collapsed, and radical millenarian sects emerged from underground.

Puritans

"A very great part of the knights and gentlemen of England... adhered to the King", wrote the Puritan Baxter. "And most of the tenants of these gentlemen, and also most of the poorest of the people, whom the others call the rabble, did follow the gentry and were for the King. On the Parliament's side were (besides themselves) the smaller part (as some thoughts) of the gentry in most of the counties, and the greatest part of the tradesmen and freeholders and the middle sort of men, especially in those corporations and counties which depend on clothing and such manufactures."

Cromwell was of this Puritan "middling sort". He said of himself: "I was by birth a gentleman, living neither in any considerable height, nor yet in obscurity". He entered Parliament in 1626 representing Cambridge.

During the first stages of the civil war, Cromwell recognised the disastrous tactics being pursued by the

Parliamentary leadership, the grandees. Parliament attempted to defeat the cavaliers by traditional feudal means, by calling out the feudal militia. They wanted the traditional Lords, men of birth, as army generals. Such methods nearly lost Parliament the civil war. A Royalist advance on London in 1643 was only stopped by the resistance of three ports and the citizens of London.

Cromwell swept away these weaknesses by applying revolutionary methods. This showed Cromwell's genius and far-sightedness. A revolutionary war requires revolutionary methods. In the areas under his command in the eastern counties promotion came by merit, not by blood and family titles.

"I had rather have a plain russet-coated captain," said Cromwell, "that knows what he fights for and loves what he knows, than that which you call 'a gentleman' and is nothing else." He insisted on his men having "the root of the matter" in them, and was tolerant of different religions. "Truly, I think he that prays best will fight best", he declared. "I had rather that Mahometanism were permitted amongst us than that one of God's children should be persecuted."

Revolutionary fervor

He instilled a revolutionary fervor into his troops, which gave them both courage and strength to face the enemy. "I will not cozen you by perplexed expressions in my commission about fighting for King and Parliament. If the King chanced to be in the body of the enemy, I would as soon discharge my pistol upon him as upon any private man; and if your conscience will not let you do the like, I advise you not to enlist yourselves under me."

In this way Cromwell was building not only an army but a party of the Revolution. In the words of the historian Macaulay: "But such was the intelligence, the gravity, and the self-command of the warriors whom Cromwell had trained that in their camp, a political organisation and a religious organi-

sation could exist without destroying military organisation. The same men who, off duty, were noted as demagogues and field preachers, were distinguished by steadiness, by the spirit of order, and by prompt obedience on watch, on drill and on the field of battle. But in this camp alone the most rigid discipline was found in company with the fiercest enthusiasm. His troops moved to victory with the precision of machines, while burning with the wildest fanaticism of Crusaders."

Cromwell developed a contempt for the Lords who blocked his methods of recruitment. He despised those grandees who did not want to beat the King too thoroughly. "If we beat the King ninety and nine times, yet he is King still," said the Earl of Manchester, Cromwell's general. "My Lord," Cromwell replied, "If this be so, why did we take up arms at first?"

Shock troops

Cromwell appealed to the lower orders who were fired up with revolutionary zeal as the real shock troops of the English Revolution. The big bourgeoisie were more terrified of the lower orders than the King, and were desperate to come to a compromise. They held much property and were afraid they would lose it if things went too far. The bourgeoisie was a brake on its own Revolution. These Presbyterians stood for a limited monarchy, while Cromwell's Independents, the revolutionary petty bourgeoisie, stood for a Republic. As the civil war unfolded, the Independent party won greater support and displaced the Presbyterians from the leadership amongst the awakening petty-bourgeois masses in the town and countryside and formed the main driving force of the Revolution.

Presbyterians

While the Presbyterians looked to compromise, Cromwell was able to impose his revolutionary authority after his great victory at Marston Moor in 1644. "It is now a time to speak or forever to hold the tongue", he told Parliament, demanding a democratic

reorganisation of the army as a precondition for defeating the Royalists. The "Self-Denying Ordinance" of 1645 effectively removed the aristocratic Presbyterian commanders and established the New Model Army open to all the talents and financed by a national tax. The army was transformed. As a consequence, the New Model Army, under Cromwell, imposed defeat after defeat on the Royalists, who were finally routed at Naseby in 1645.

Charles was seized by the Scots and sold to Parliament. The Presbyterians opened negotiations with Charles hoping to reach a compromise despite the Royalist defeat. They controlled Parliament and passed a resolution to disband the Army without proper provision. Those re-enlisted would be sent to Ireland. This caused rebellion in the Army led by the Levellers and the Agitators in the New Model Army.

Levellers

The Levellers were a remarkable movement that demanded the establishment of democratic rights and a Republic. (For the Levellers see <http://www.socialist.net/the-english-civil-war-and-the-levellers.htm>) The Agitators were elected representatives of the rank and file in the Army.

Cromwell, who distrusted the political position of the Levellers, was forced to put himself at the head of this movement in order to contain it. The Army, under Leveller influence, marched on London. Cromwell's discipline was only restored in the Army when news arrived that the King had escaped.

Once again, the Presbyterians wanted to negotiate with the King, hoping to isolate the unruly mob and Army. This time, with the backing of the Army, a purge of the House of Commons was carried out, putting power into the hands of the revolutionary petty bourgeoisie, the Independents. Again Cromwell showed his revolutionary contempt for authority. The execution of Charles I soon followed ("I tell you we will cut off his head with the crown on it") and the Republic was declared.

After resting on the left-wing to suppress the Royalists and Compromisers, Cromwell now rested

on the propertied classes to carry through a purge of the extreme left-wing. The Republic stood on a very narrow social base. Cromwell dissolved the Long Parliament. "You are no Parliament... (pointing at the mace) What shall we do with this bauble? Here, take it away". "When they were dissolved, there was not so much as the barking of a dog". He was declared Lord Protector and the newly-formed revolutionary dictatorship rested on one man sitting on bayonets, surrounded by Royalist enemies at home and abroad. He had no alternative but to eliminate all obstacles to his historic mission.

Protectorate

"Different classes in different conditions and for different tasks find themselves compelled in particular and indeed, the most acute and critical periods in their history, to vest an extraordinary power and authority in such of their leaders as can carry forward their fundamental interests most sharply and fully", explained Trotsky. Cromwell's Protectorate was one such example. "For one era Oliver Cromwell, and for another, Robespierre expressed the historically progressive tendencies of development of bourgeois society."

By the time of Cromwell's death in 1658, the social basis of the revolution began to unwind. This prepared the way for the restoration in 1660. However, the Revolution had destroyed the old order. The constitutional monarchy could never turn back the clock. Pre-Cromwellian society could never be re-established by a Restoration. What is written by the sword of revolution could not be erased by the Restorationist pen.

Cromwell's historic task was to inflict the most shattering blow against the old feudal order. To carry out such a task, he rested on the most revolutionary layers in society. Under Cromwell, the Revolution acquired all the depth vital for this achievement. Such determination, dedication and courage are not only to be admired but such attributes need to be assimilated by today's new generation who wish to carry through the socialist revolution in Britain and internationally. □

Executed for asking questions!



YAGHOUB MEHRNAHAD, a journalist and NGO activist in Iran's Sistan and Baluchestan province, has been executed. After the province's Appeal Commission turned down his appeal he was executed on Monday 4 August in the Central Prison of Zahedan city.

Yaghoub Mehrnahad was the secretary of Javanan Sedaye Edalat (Youth, the Voice of Justice) NGO in Sistan and Baluchestan. In April 2007, after holding a conference called "Youths question, Officials reply" in Zahedan, the capital of Baluchestan, the young journalist, who is also a student, was arrested at the end of a debate. Other members of the NGO were also arrested and later condemned to death.

According to Meghdad Barimani, the former secretary of the Islamic Society of Sistan and Baluchestan University, the Javanan Sedaye Edalat society is one of the most active NGOs in the whole province and has been active regarding various issues, including the fight against diseases like AIDS, hepatitis and disease prevention for the children and women of the area.

No precise information or documented reasons have been presented on Yaghoub Mehrnahad's "crimes" - but it has been rumoured that he had been co-operating with "obstinate" groups.

During Yaghoub

Mehrnahad's trial neither he, nor his family, nor his lawyer, nor a jury were present! His family last saw him in Zahedan prison last December saying he showed obvious signs of torture.

Sistan and Baluchestan has experienced a great deal of unrest during the past two years, including terrorist attacks. Mehrnahad is accused of having had contact with the armed Jondollah group, which operates in Iranian Baluchestan.

Iranian Workers' Solidarity Network condemns the execution of this journalist, NGO activist and student.

Four labour activists in Sanandaj, Iranian Kurdistan, have been sentenced to be flogged and imprisoned for defending workers' rights. On 5 August the 101st branch of the criminal court in Sanandaj sentenced the four to this brutal, barbaric and medieval form of punishment because they had taken part in this year's May Day celebrations in the city.

The Iranian regime is not carrying out this policy from a position of strength. The whipping of workers is a desperate attempt by the regime to dampen the combativity and high morale of the workers who, despite having any legal trade union rights and suffering from the crippling economic situation, continue to fight for their rights. □

Iranian Workers' Solidarity Network (IWSN)
BM IWSN, London WC1N 3XX, England
www.iwsn.org

War in South Ossetia

By Tom Rollings and Francesco Merli

AFTER MONTHS and years of sniper shooting and military build-up on both sides, war broke out in South Ossetia on the night of Thursday, August 8 when Georgian President Mikheil Saakashvili ordered an invasion of the autonomous republic and the criminal shelling of its capital Tskhinvali. According to official Russian sources, up to 1,600 civilians and several Russian soldiers deployed for peace-keeping tasks were killed in the fighting before Russian forces retook the autonomous Republic. Thousands of refugees abandoned everything they had and flooded into North Ossetia in Russia calling for Russia to come to their rescue.

This was the justification that the Kremlin was seeking in order to settle accounts in the region and reaffirm its role as a regional power. The moment couldn't be a more favourable one, with US imperialism entangled in Iraq and Afghanistan and without means available to open a new front in the Caucasus.

Given the speed with which the Russian army responded (within a few hours after the Georgian attack) it is clear that the Russian strategists were expecting the attack and the armed

forces deployed at the borders with South Ossetia were already on a war footing, ready to strike back.

Despite the heavy fighting the Georgian forces proved to be unable to take control of the South Ossetian capital of Tskhinvali and were taken aback. The Russian counter-offensive crushed the Georgian army and retook control of South Ossetia in less than 48 hours. On Monday, Russian tanks and troops entered Georgian territory towards the city of Gori (dangerously close to the capital, Tbilisi), to show that they could easily take over the strategic centres of the country, while bombing key military infrastructures and cutting off Georgian access to Abkhazia, a second autonomous republic that Georgia claims, and the ports in the Black Sea.

The counter-offensive involved high altitude bombing that destroyed the centre of Gori, killing dozens of civilians and a Dutch cameraman. Similar scenes to those witnessed in South Ossetia, with thousands of Georgian civilians fleeing their homes in terror from the Russian counter-attack have been reported by the media internationally.

a Socialist Federation of the Caucasus is the only way out

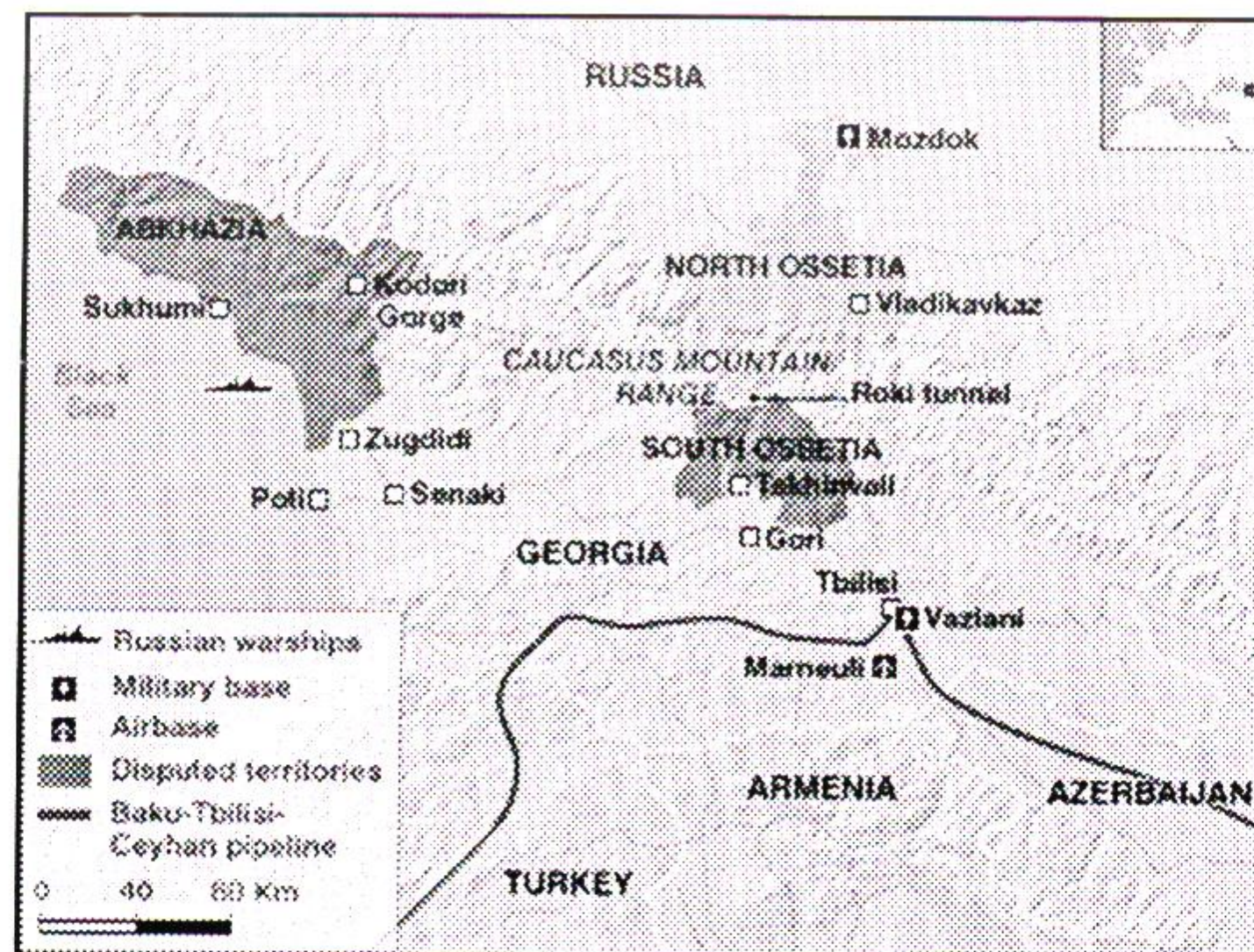
Despite what the Russian and Georgian government are claiming, the war had nothing progressive on either sides. The dispute is not about the 'right of nations to self-determination' whether in South Ossetia or Georgia. It is a proxy war between US imperialism and Russia, the regional super-power.

Imperialist meddling caused the war

The present nightmare of war and nationalism in the Caucasus is the result of imperialist meddling. Criminally, American and Russian imperialism have interwoven these conflicts in their own struggle for spheres of influence and strategic interests, with American imperialism building up Georgia as a bulwark against Russia in the south Caucasus. Russia in its turn is using South Ossetia and Abkhazia as pawns in its battle to redraw the spheres of influence, which are connected to the strategic importance of Georgia as a pipeline route for Caspian oil to the west, and possibly gas as well in the future.

Why did Georgia attack?

On the part of the Georgian ruling elite, the attack on South Ossetia was a calculated bet that backfired them. Saakashvili barely survived last December from a massive movement of protest against corruption. He got out of it denouncing the movement as a Russian conspiracy and proclaiming a State of Emergency while at the same time calling for a snap presidential election in January, which he won. In April, Russian President



Putin made a deal providing Abkhazia and South Ossetia with special relations with the Russian Federation. This move forced Saakashvili's hand. The Georgian President could not stand by and do nothing as Russian interference in the Caucasus grew unhindered under his very nose.

But there is something more than that. **It is very difficult to imagine that Saakashvili launched the attack against US wishes.** The Georgian government is dependent on US aid and support, and US strategists must have endorsed Saakashvili's bet: a serious mistake on their part. But they did so for their own imperialist purposes: to test once again the reaction of Russia. Now that they have disastrously lost their bet, they have two options, either to admit the mistake of not having considered that relations of forces between USA and Russia in the region have changed, or to pretend that the Georgian government fooled them, hiding its intentions. US imperialism comes out of this conflict with its credibility compromised.

On the other side, Russia is not the same country it

was 10 years ago. It has recovered from its previous weakness both from an economic and military point of view and in recent years had been looking for a way to break up the encirclement strategy orchestrated by US imperialism since the collapse of the Soviet Union.

Over the last 15 years US imperialism managed to take advantage of the crisis of Russia to establish strong ties and alliances with former USSR allies or break-away republics from the Soviet Union of Central Asia, the Caucasus, Eastern Europe and the Baltic. NATO's expansion to Poland, Hungary and the Czech Republic in 1998 and again in 2004, with the second expansion that absorbed the rest of the former satellites of the USSR in Central Europe and the three Baltic states, were rightly considered as strategic threats from the Russian military elite and convinced the Kremlin that they had to seize every opportunity to reverse this position.

Chauvinist poison

In Russia, the ruling elite has enrolled the mass media in fuelling a wave of war

hysteria. The suffering of the South Ossetian population was used to manipulate the understandable outburst of popular indignation and justify the counter-attack.

In Georgia, where there are already thousands of refugees from the first war in South Ossetia from 1992-4, there is bitter anger at the defeat in South Ossetia. On Tuesday a crowd of 150,000 gathered in Tbilisi to express their support for Saakashvili in a mood of national solidarity boosted by a hatred of Russian aggression. Yet the future of Saakashvili, regardless of high support for him at the moment, is uncertain. His policies of depending on the West to beat back Russia have ended in failure. Many demonstrators showed their rage, cursing US imperialism for not coming to their rescue.

The Caucasus has been for thousands of years a crossroad of different peoples, languages and religions. The perspective of a physical separation of the different peoples as a "solution" to the national question is reactionary madness.

For a new October

There is no way out for Russian and Georgian workers than to join forces together against imperialist meddling and their own exploiters. The only tradition that can unite all workers regardless for their nationality, language, colour and religion is that of Bolshevism and the tradition of October.

Long live proletarian solidarity!

For a new October!

For a socialist federation of the Caucasus and internationally!

Venezuela: Bank nationalised

Statement of the International Marxist Tendency

THIS WORLD Congress of the International Marxist Tendency welcomes the announcement by President Chávez of the nationalisation of Banco de Venezuela. We note that the Banco de Venezuela was bought by the Spanish multinational banking group Grupo Santander for only US \$430 million and made profits of US \$170 million in the first half of 2008, a 29% increase on 2007. In 2007 alone it made US \$325.3 million in profits, which is almost equal to what was paid for the bank in the first place. These figures show that Grupo Santander has already recovered their initial investment many times over and there is no justification for them receiving any compensation.

Santander

This is just one example of how big foreign multinationals are plundering the resources of Latin America. The attempt of the Venezuelan government to regain control over the resources of the country is entirely justified. The workers of Venezuela and the whole world will welcome the nationalisation of the Banco de Venezuela. They will understand that the attacks and slanders against Hugo Chávez are dictated by hypocrisy, greed and hatred of the Venezuelan revolution.

The Spanish bankers, who have been shamelessly plundering

Venezuela, were quite prepared to sell the Banco de Venezuela to a private Venezuelan banker, but they were not prepared to allow the bank to be taken over by the state and used to further the interests of the Venezuelan people.

What the capitalists and imperialists really fear is that the tendency of the Venezuelan revolution to make inroads into private property will become irresistible. The crisis of capitalism means that an increasing number of banks and other private enterprises will enter into crisis and close in the next months, causing a sharp rise in unemployment. Private investment in Venezuela has already plunged. The Venezuelan economy is only being maintained by state investment and the public sector. This poses a serious threat to the revolution and can adversely affect the results of the November elections, especially if one takes into account the already high and increasing rate of inflation.

Nationalisation

Marxists welcome every step in the direction of nationalisation. At the same time, we point out that partial nationalisations are not sufficient to solve the fundamental problems of the Venezuelan economy. The nationalisation of the entire banking and financial sector is a necessary condition for establishing a socialist planned econo-

my, along with the expropriation of the land owners in order to carry out the agrarian reform, and the nationalisation of all big private firms, under workers' control and management. This would enable the mobilisation of the entire productive resources of Venezuela to solve the most pressing problems of the people.

Socialism is only possible when the working class takes power into its hands, expropriates the bankers, landlords and capitalists and begins to run society on socialist lines. The state should take the productive forces into its hands and use its resources to create a genuine socialist planned economy. The prior condition for this is that the productive forces should be in the hands of the state, and the state should be in the hands of the working people.

Banco de Venezuela

We therefore welcome the nationalisation of the Banco de Venezuela as a step forward. But the main objective has not been yet attained: the elimination of the economic power of the oligarchy and the establishment of a real socialist workers' state. The battle continues, and the International Marxist Tendency will be in the front line of the fight to defend the Venezuelan Revolution and achieve the victory of socialism in Venezuela, Latin America and the whole world. □



**Hands Off Venezuela
National Conference,
London, Saturday 22
November 2008**

Invited speakers include:

Workers' leader from SIDOR, Venezuela's recently nationalised steel industry

**Mark Serwotka, General Secretary
PCS**

Matt Wrack, General Secretary FBU

Bob Crow, General Secretary RMT

**Jeremy Dear, General Secretary
NUJ**

John McDonnell MP

Alan Woods, author.



Workshops are also being arranged.

To book your place (free to HOV members), send a cheque for £5 to Hands Off Venezuela, PO Box 47274, London, W7 9AB.

Victory against the blacklist

by Steve Kelly, London Construction, Unite

THE BLACKLIST in the construction industry is back with a vengeance. It is a well known fact that the blacklist has been used against construction workers for many years, especially since the Shrewsbury strike in 1972. It was always difficult to prove, but in 2006 a case involving three Manchester electricians who were sacked from a job at the Royal Infirmary Hospital in Manchester (having been elected by the workers on that site as their shop stewards and safety rep), was heard at industrial tribunal brought by the T&GWU, now Unite, for unfair dismissal. Evidence was brought to the tribunal by an ex-employee of a well known electrical contractor called Haden.

Alan Wainwright swore on oath that indeed a blacklist was most definitely in operation and there was a list of 500 electricians who had worked on the Jubilee Line extension, Pizers (in Kent), and the Royal Opera House, Covent Garden. These sites were all

organised by electricians in the past with elected shop stewards and safety reps. Any action taken on those sites would have been unofficial action which annoys firms as well as union bureaucrats. In construction that's always been the case, and will continue to be so, due to the nature of the industry. **We have to strike while the iron is hot.** The three electricians in Manchester eventually won the tribunal for unfair dismissal, sacked for organising in a trade union.

Picket

Two of the workers recently got work after bravely demonstrating outside the site every day since May 2006. A third worker, Steve Acheson, was still struggling to find work up to 3 weeks ago. Steve was offered a job at the Fiddlers Ferry power station in Warrington. Three weeks ago he was told he could start along with 20 others. Two hours later Steve was told by the company on site they only needed 19 workers.

Seems like they realised who Steve was (steward from MRI). The workers on site immediately said they would walk off the job unless Steve was employed. It was obvious to them the

blacklist was being used against Steve. Unite full time officers were called in for talks with the company to avert a walkout by the men.

After 4 weeks Steve had still not been offered a job on the site. On the 14th August the workers on site told the union that if Steve was not on the job by Monday 18th August they would not go into work and picket lines would be set up for Monday morning. The other trades assured the electricians of their full support. Steve Acheson was given a job on the site within a couple of hours.

This shows how, if workers unite and stick together and defend their fellow workers, the blacklist can be defeated. This kind of action may be necessary in the future - most likely on the Olympic project in Stratford, which is rumoured to need 9,000 workers when it is in full swing. The main lesson here is all construction workers should join a union and take unofficial action where necessary, especially when told not to by trade union officials. They would say we are breaking the law. Rank and file trade unionists have been doing that since 1834! □

Unity is strength!

The workers united can never be defeated!



Workers virtually destitute

£8.80 for a 39 hour week!

The 'Guardian' reported (30.06.08) "After a 39-hour week, one man took home £8.80 when his monthly rent of £155 was deducted in one week. Another man worked a 70-hour week, earning £420, but was not paid overtime and after having £228 deducted for repayment on tools was left with £66. A third man worked a 40-hour week but was left with £13 after paying £155 for a month's rent. As self-employed workers

they received no holiday pay."

Alan Ritchie, general secretary of Ucatt, said: "This case is the worst we have seen. These workers were virtually destitute."

Ucatt's regional secretary, Steve Murphy, said, "We will be able to eventually get a fair resolution for these workers. What is truly frightening is to think what happens on the many unorganised sites in our country."

Ucatt is campaigning to have the Gangmasters' Licensing Act

extended to cover the construction industry, which would mean that employment agencies and subcontractors have to pass minimum standards before they can supply labour.

But the most disturbing part of the story is the response of the government. If the allegations are correct, and the fact that the subcontractors have gone to ground suggests that it is, then they are breaking the law. New Labour has made it quite clear that it doesn't give a toss. Don't let employers get away with it. □

Unions - reclaim the Labour Party

By Steve McKenzie

THE BACKDROP against which Labour Party Conference meets is one of electoral meltdown. The disastrous by-election defeat in Glasgow East was only the latest in a list of electoral humiliations over the past few months. The Henley, Crewe and Nantwich by-election defeats, the council elections and the defeat in London's mayoral elections, are all a reflection of the utter frustration felt by the working class electorate after eleven years of New Labour pandering to big business.

Labour's National Policy Forum took place in Coventry over the weekend at the end of July. The policy objectives were to be known as Warwick 2. Union leaders met with the Prime Minister and other senior ministerial figures to press over 130 demands for inclusion in the Party's policy that could have gone some way to reversing this disastrous trend in the run up to the general election.

The unions were pushing for the implementation of the Trade Union Freedom Bill which would give union members in Britain the same right as workers in other countries to participate in solidarity action if other workers were in dispute.

Union leaders were also pushing for a windfall tax on the super profits of the energy companies and many other issues, including an end to private contractors in cleaning in the NHS, free school meals for an extra four million school children and the abolition of prescription charges.

For Marxists the demands put forward were limited enough.

Despite these demands being argued for very forcibly by union leaders the resistance from the Prime Minister, ministers and party apparatchiks was successful in ensuring most of these demands were rejected.

Unless the situation can be reversed dramatically this will guarantee defeat at the next general election.

Waving the red flag (unfortunately to his business friends to signal danger

rather than doing what he should be doing) Gordon Brown sternly warned that there would be no return to the chaos and industrial unrest of the 1970s. Chaos and unrest in fact was caused by the then Labour government bowing and scraping to the dictates of the International Monetary Fund and attacking the very working class people who had put them into office (sound familiar?).

The bosses gloat

Gloating at the paucity of the proposals to come out of the National Policy Forum the voice of big business, the Financial Times, stated on Tuesday 29th July:

"Gordon Brown was yesterday praised by business for resisting the worst union demands on policy". It went on to brag that "Facing a list of 130 union demands, Mr. Brown rejected the vast majority outright and gave little ground on the rest."

Talk about all of us having our noses rubbed in it, Rob Griffiths, the Secretary of the Communist Party summed it up well when he amusingly and aptly entitled his article for the 'Morning Star' on the whole fiasco "Alas Poor Warwick"

What's Really Needed to Win the Next Election

Labour Party Conference is the last great opportunity to reverse the drift to the right and certain electoral defeat. The NPF showed the trade union leaders have rolled over and surrendered again to the right wing Labour leadership. Together with the left among the constituency representatives they could have taken over the NPF. They still have the ability to reclaim the Conference as an arena for democratic debate and take back the Party.

It is clear that, without serious and radical policy change, Labour cannot win the next election. We need:

- A windfall tax on the energy companies as an immediate policy,

with the revenue being used to alleviate the fuel poverty suffered by the elderly and the poor, should be a priority.

- This in itself is no solution and plans have to be drawn up to bring the major energy companies into public ownership and under democratic control operating for the needs of the majority of this countries people not the profit of a small unrepresentative clique of ruthless gangsters.

- A crash public house building programme is clearly needed creating jobs in the stalled building industry, which, could see up to one hundred thousand building workers thrown out of work this year as a result of the deepest recession since the early 1930s. This in turn would provide affordable housing and secure rented accommodation for mainly young working class people. (See our programme on pp. 18-19)

The fact that the number of repossessions up by forty eight per cent on this time last year cannot begin to express the utter misery that must be felt by the 19,000 families who have lost their homes at a time when the joint total in profits for the banks in the first six months of the year were touching £12bn.

Add to this the dramatic rises in food prices that are bought on a daily basis and make a mockery of the 'official' inflation figures and people are literally struggling to keep a roof over their heads and food on the table.

- There are no end of reforms that need examining from the level of and discrimination against young people in relation to the minimum wage to the proper financing of the Health and Safety Inspectorate to ensure a more effective prosecution of rogue employers who flaunt safety legislation and put workers lives at risk.

- Bringing privatised services back in house so as they are accountable and run properly, abolishing practices like PFI where all of the massive investments into public bodies that the government has made in a genuine attempt to improve services has

ended up in the back pockets of the gangsters who run the building industry and their coterie of suited and booted thugs and number crunchers.

In short, working class people need socialism. If the Labour Party is to win next time, it needs to steer a course for socialism

Instead we have the sitting incumbent Gordon Brown, who was one of the architects of New Labour and who is now doing a first class impression of a rabbit caught in the headlights. He knows moving even further to the right means electoral oblivion but a move to the left means coming out against big business that he and New Labour have been pandering to for the last eleven years of government.

Knowing he will be squashed to the right, squashed if he stays where he is but frightened to move to the

left - barring a miracle he looks doomed.

Effluent

There is a view that New Labour should be left to sink in its own effluent - but that would be an abdication of responsibility.

To abandon the political fight is to abandon the poor devils who will be repossessed, the old age pensioners who will have to choose between heating and eating this winter and the young people who will have no chance of finding a job as capitalism's worst recession since the thirties descends ever deeper.

It is true that the workers' collective voice is extremely weak in the Party and that reflects the hangover of the dramatic industrial defeats of the

mid eighties.

Despite that being over a generation ago the unions at steward, workplace and branch level are still weak. The fundamental task must be to rebuild the unions at the rank and file level. Apart from the immediate economic gains that would bring about, eventually that would be reflected in the increased strength of the left in the party.

Let's get behind socialist policies. That will ensure that in future such political betrayals can never happen again and that there is never a situation where after three Labour governments, working class people are hardly any better off. □

**Eleven wasted years - never again
Trade unions - reclaim the Labour Party**

Unite Activists' Meeting

by Steve Kelly, London Construction, Unite

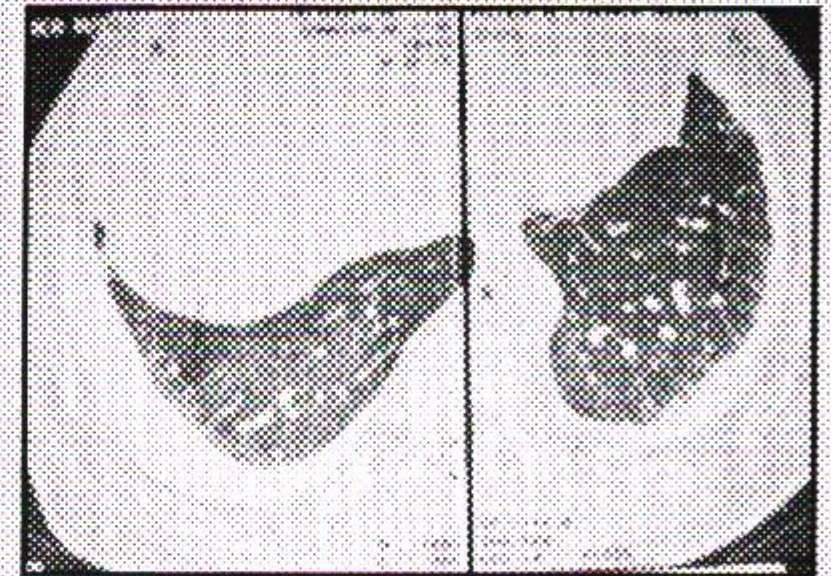
ON 16TH July over 200 Unite activists were at a meeting in Friends' House in Euston. Derek Simpson was there to speak about the new union. I don't think he was expecting such a large turnout and such a vocal audience. There were Unite members present from various sectors - NHS, engineering, banking, construction and the public sector (who had been on strike that day).

Derek told us about the merger and how great it was. We were now the biggest union in the UK, and the most powerful. The bosses would be really scared of us and Gordon would have to do as he was told. We could even reclaim New Labour as a real workers' party. Eventually it was question time. There were many questions from the floor, many of which made Derek very angry. He spat out the dummy quite a few times. There were questions and discussion on the anti-trade union laws, secondary picketing, Iraq, funding of the Labour Party - a wide range of topics very important to us socialists and rank and file trade unionists. Apparently Derek will be touring the country in the coming months. Dates and places of future meetings have not been revealed yet. Perhaps Derek doesn't want another tongue lashing like he got in London. A very successful meeting, all in all. It makes our joint General Secretaries aware that they are indeed accountable to their members. □



Pleural Plaque Scandal

THE JUDICIAL house of Lords has recently ruled that pleural plaque (scarring of the lung - a condition caused by breathing in asbestos) is not an industrial illness for which compensation can be claimed.



This reverses twenty years of common law practice. What do the Law Lords know about it? Asbestosis related conditions are not exactly an occupational hazard for judicial bigwigs.

At first Gordon Brown promised to rush through a law reversing the decision. Now he's decided to have a 'review'. The Scottish Executive responded by tabling a bill to reverse the Lords' decision. The English review falls a long way short of doing the same

Construction workers have targetted the constituencies of cabinet ministers David Miliband and John Hutton, in a campaign to force the government to rule that the insurance industry has to pay a £1.4bn compensation bill to sufferers of pleural plaque.

Alan Ritchie, general secretary of construction union Ucat, said: 'The insurance industry seems intent on dismantling the industrial injury compensation system and it has to be fought.'

It seems the government is the prisoner of big business. How gutless can Gordon get? It appears pleural plaque is an industrial illness in Scotland, but not in England. □

Trouble on the railways

by Rick Grogan, RMT

THERE IS class struggle on a number of fronts on the railway and underground. Management have been trying it on.

First some 70 RMT station staff at a dozen stations at the north end of London Underground's Metropolitan line struck for one day in August.

Members returned a 13-to-one majority for action after senior LUL management breached its own procedures to tell staff on permanent postings that they would have to move jobs – over-ruling a potential solution negotiated locally. They were just throwing their weight around.

Next nearly 500 guards, drivers and customer service hosts on Southeastern Trains are being balloted for industrial action by the RMT after the company declared war on the safety role of the guard and insisted on an extension of driver-only operation.

Ballot

The RMT ballot, which will close on September 11, has been sparked by the company's intention to transfer control of power-operated doors to drivers and scrap guards on its new Hitachi 'Javelin' 395 rolling stock.

After avoiding meeting union reps for many months the company finally revealed that it intends to remove all control of power-operated doors on 395s from guards, along with the guard's entire safety role other than train evacuation – in breach of existing agreements.

This is a nightmare prospect for rail workers and passengers alike. These trains have no walk-through. A twelve-car train made up of two of these new units will carry as many as 1,000 passengers through tunnels west of Ebbsfleet that together are at least as long as the Channel tunnel. It is unbelievable that SET is proposing to run them without fully safety trained guards. Safety must come ahead of profit.

Meanwhile cleaners working on the railway and tube lines have been striking on and off throughout the summer

in their campaign to end poverty pay and win decent working conditions. They have won the London Living Wage of £7.50 an hour on the tubes, but the fight is still on at Eurostar.

OCS

The cleaners employed by contractors OCS, whose hourly pay is more than £1 an hour below the London Living Wage, returned a 100% vote for action over the August bank holiday at Eurostar. Dozens more cleaners have signed up to the union since the ballot began.

"OCS spends a fortune sponsoring a stand at the Kennington Oval and Eurostar trades on its ethical reputation, but it seems they share a common contempt for cleaners who are paid a pittance," RMT general secretary Bob Crow commented.

"Cricket is supposed to be about fair play, but while OCS bosses are glad-handing it at the Oval, their grubby little secret is that they are happy to pay wages their staff cannot live on

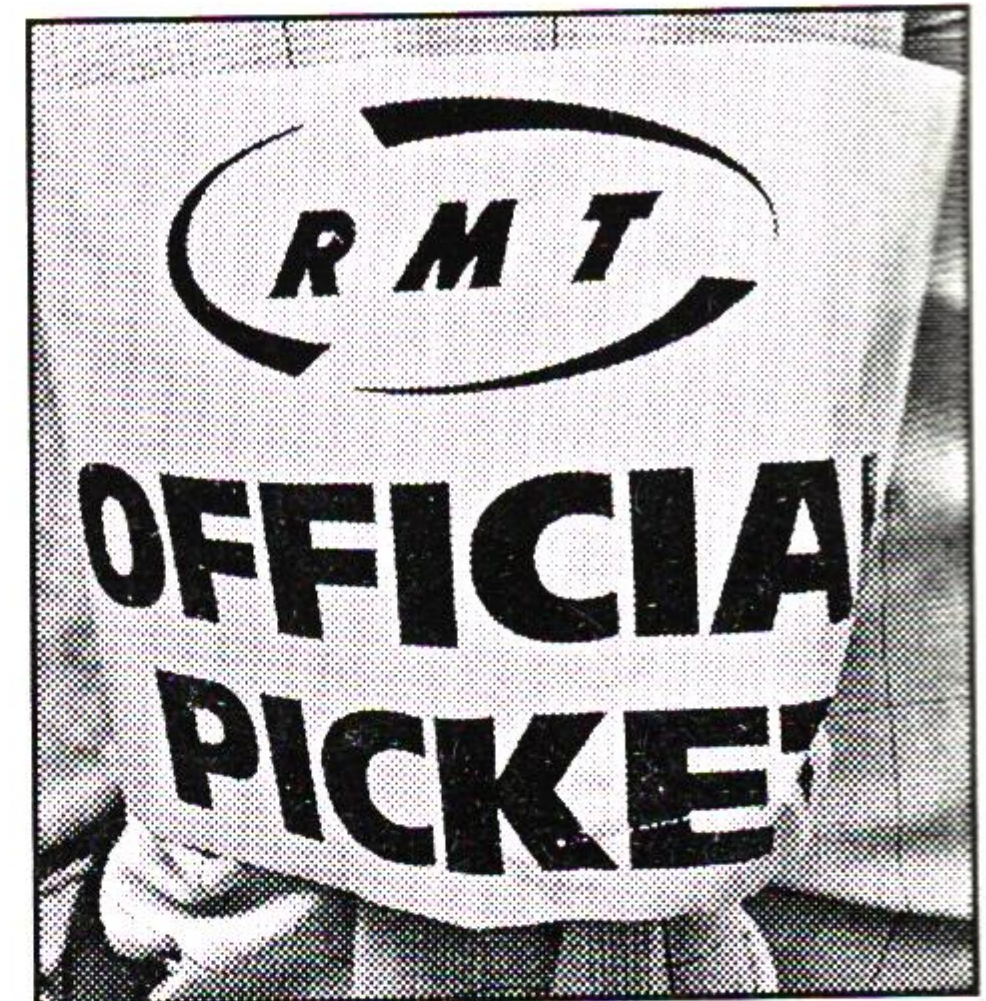
"Eurostar trades on its ethical reputation and claims to tread lightly on the planet, yet it seems happy for OCS to stamp all over the people who keep their trains and stations clean," RMT general secretary Bob Crow commented.

"No-one living in or around London can live on £6.37 an hour, but that is what OCS pays, and there is not a penny extra for overtime or bank holidays."

Finally Tube Lines boss Terry Morgan was too busy throwing petty insults around to get around the table to negotiate a solution to the current pay and conditions dispute,

Some 1,000 RMT members voted 3 to 1 to down tools from noon on August 20th in the first of two 72-hour strikes called after the company tabled a pay and conditions offer substantially below that agreed by Metronet for people doing identical work.

In a press interview Morgan accused RMT of mounting a "political" strike. At the last minute Tube Lines came up with an improved offer and



the strike was called off. The workers won that one – some workers are reported to be £4,600 better off..

More than 90 staff on the East Ham group voted by a margin of more than 20 to one to take action over a breakdown of industrial relations sparked by local management ignoring procedures, the victimisation and harassment of staff and union reps, and the sacking of station assistant Sarah Hutchins, who had taken time off for pregnancy-related illnesses and after being assaulted at work.

And around 100 station staff at Charing Cross, Elephant and Castle and Lambeth North on the Bakerloo line struck for the second time to demand the re-instatement of Jerome Bowes who was unfairly dismissed after defending himself against a violent assault on New Year's Eve. Management responded by flooding the stations with scab managers untrained in safety procedures. The result – 23 passengers, including a child, were stuck in the lift at the Elephant and Castle for 1½ hours. The managers were floundering, and the passengers had to be freed by the Fire Brigade in the end. The Bakerloo dispute is now also set to be escalated with a ballot of RMT drivers at Elephant and Castle depot.

Management will keep trying it on. Boris Johnson is still angling for a no-strike deal on Transport for London. And the unions will have to be prepared for more action in the future. □

Autumn Fund Raising Drive: Let's get going!

FIRST OF all, everybody at 'Socialist Appeal' would like to thank all those readers and sellers in the UK who collectively contributed the magnificent sum of 5,200 Euros towards the annual summer fund raising drive promoted by the In Defence Of Marxism site to help support the development of Marxist ideas internationally. There is no doubt that in the Labour and trade union movement, the best elements have always raised international solidarity above all else in a tradition that goes back to the very origins of the movement.

However, now we must turn our attention to the urgent task of raising

cash during the autumn for Socialist Appeal's own fighting fund. To keep a socialist journal like ours going requires more than just the income from sales, important though that is. The papers and magazines of the capitalist class benefit from handouts given in the form of advertising to keep going. If all else fails they can pump millions in to keep their titles up and running – usually linked to a bit of job cutting, naturally. On the other hand, our only backers are you. So why not invest in a socialist future? Even a small donation is of value in keeping the flag flying. For example, £10 could pay for production of a leaflet, £50

could help fund a pamphlet. In the build up to Xmas last year, we had a great response to our drive to buy a new collator/finisher – let's see if we can match it this year.

Donations can be made online by going to wellred.marxist.com. You can also go into any branch of Abbey and pay over the counter to us via account K2018479SOC in the name of SASC. Donations can also be made by post (again make cheques payable to SASC) by sending them to us at PO Box 50525, London, E14 6WG. So why not make an investment in socialism and send us what you can without delay - every bit helps. □

Socialist Appeal Stands for:

✚ **For a socialist programme to solve the problems of working people.** Labour must break with big business and Tory economic policies.

✚ **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.

✚ **Trade unions must reclaim the Labour Party!** 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 for labour and youth

Unions must fight for members

by **Jeremy Dear, TUC General Council (personal capacity)**

TUC CONGRESS will get underway with a bang this year – with one of the early motions calling for “a series of one-day general strikes until such time as the Government removes the restrictive anti-trade union legislation from the statute”. Yes, really.

The motion comes from the Prison Officers’ Association who have become increasingly militant on the issue of trade union rights over the past decade or so since New Labour broke its promise to restore full trade union rights to their members. But they are far from alone. Many unions will join the condemnation of the anti-union laws, designed by Thatcher, not to deliver democratic rights to union members, but to deliver to employers shackles with which to tie unions up in legal knots and injunctions – and the failure of New Labour to reverse such unjust laws.

But whilst there will be many fine words, the motion stands scant chance of being passed. The law and the threat it poses to unions will be invoked to scare delegations in to rejecting the motion instead of opening up a fundamental discussion about how, after the failure to get government support for a Trade Union

Freedom Bill and with the threat of a Tory government looming large over Congress, we step and up and reactivate our campaign to unshackle our unions for the battles over pay, job cuts and democratic rights which lie ahead.

That threat will overshadow much of the conference – there will be much analysis of every speech to see whether we veer towards Brown or Miliband or Johnson or Harman or... The point for most trade unionists is not about the individuals. It’s about the programme and Congress should be the opportunity for the trade union movement to set out its stall.

That means reinforcing calls for the repeal of the anti-trade union legislation, it means actively campaigning in defence of civil liberties, it means real equality not a watered down Equality Bill without proper teeth, it means addressing increasing inequality, fuel poverty, job losses and securing a living wage - not just a minimum wage.

And it means fighting to defend public service workers and public service values.

A number of motions give the TUC the ability to start to set out a clear programme. PCS highlight the £25bn companies and wealthy individuals are avoiding in paying in tax each year –

and calls for a campaign to target such abuses and for the funds to be used to support public services and promote greater economic equality. The GMB sets out a strong case for not only raising the state pension but for rescuing occupational pensions from the increasing attacks by profit-hungry companies.

And there are plenty of calls for action. Apart from the POA, the NUT calls for a mid-week day of activities as part of a campaign against privatisation of public services.

But it is in the calls for co-ordinated industrial action across the public services – calls coming from NUT, PCS, POA, UCU and to a lesser extent UNISON – that the TUC is able to demonstrate its core support for public services and put a stop to the Government’s pro-market, privatisation obsession and its attempts to force public sector workers to bear the brunt of the credit crunch and economic downturn.

Such a campaign would win huge public support, give confidence to workers, secure widespread involvement and put the Prime Minister or any Labour leadership candidate in the spotlight over public services. It’s an opportunity the unions can’t afford to miss. □

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