

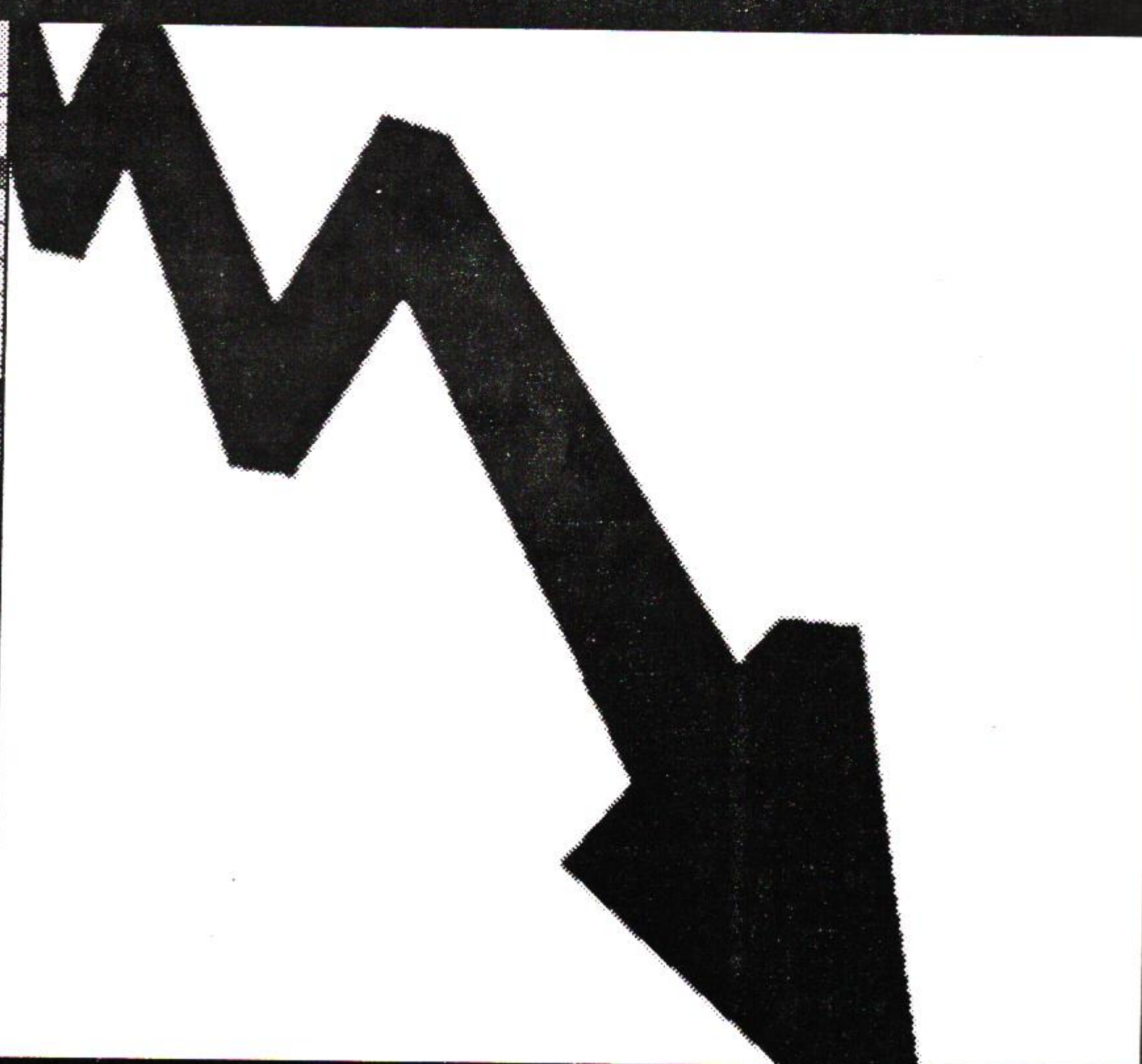
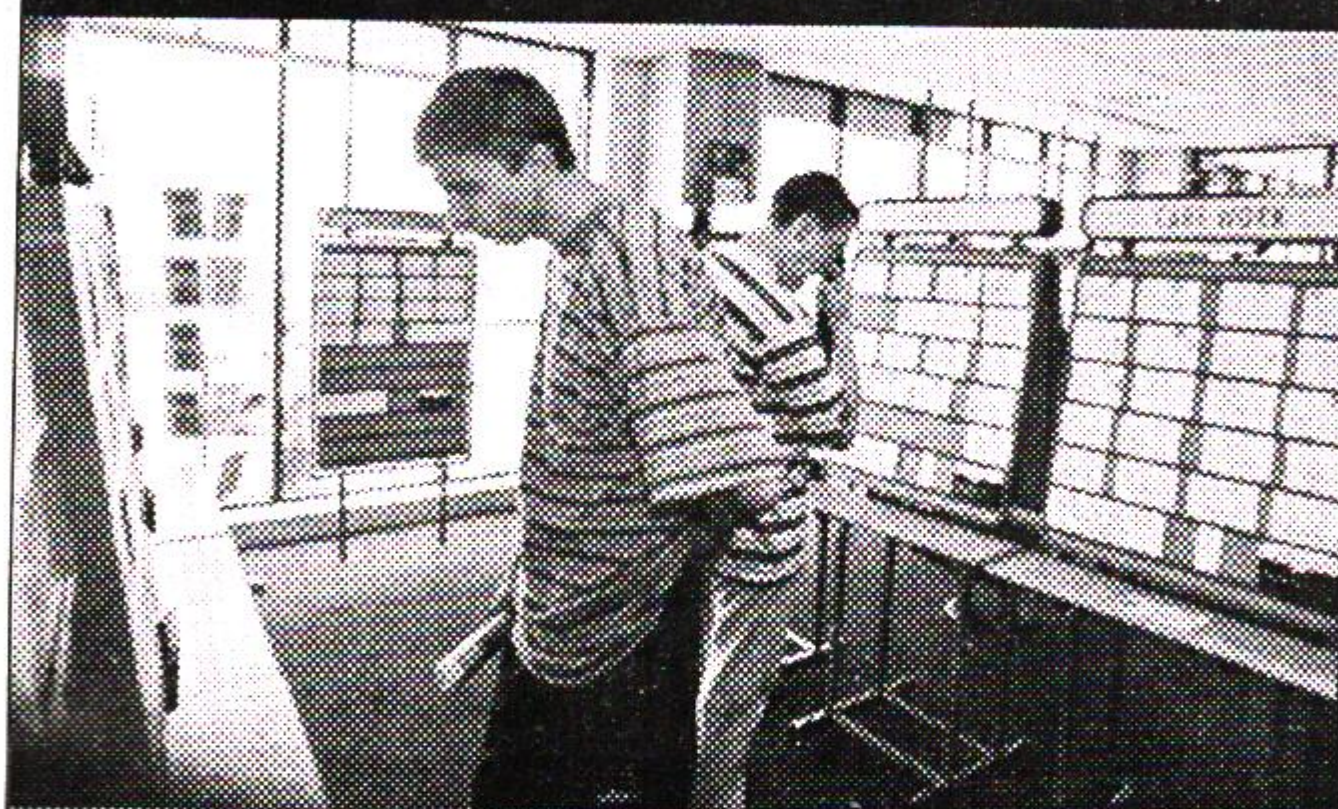
Greece • Rosa Luxemburg • Economy • Trade Unions

# Socialist Appeal

January 2009 issue 169

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## 600,000 jobs to go



jobcentreplus  
Department for Work and Pensions

### Fight against job losses! No return to the 1930s!

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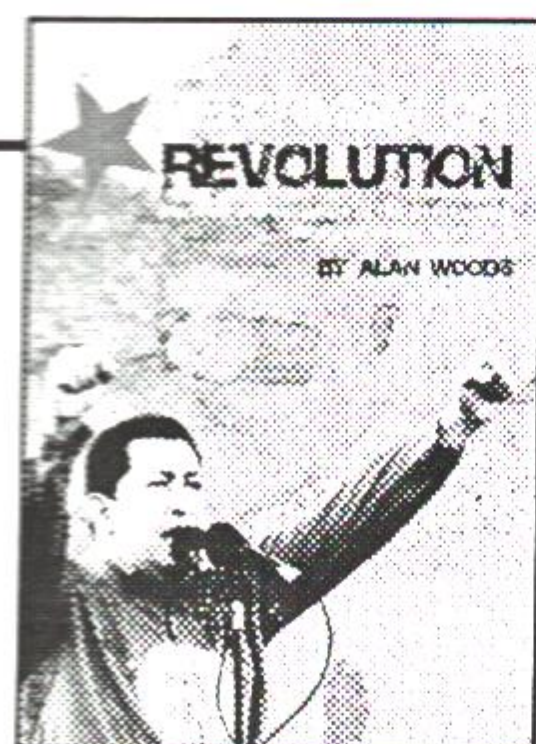


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The declarations of Hugo Chavez in favour of socialism have provoked an important debate in Venezuela and internationally. However some have concluded that the 'old' ideas of Marxism are no longer valid and that it is necessary to invent a completely new and original theory of Socialism of the 21st century. This book is a reply to that view - expressed by Heinz Dieterich amongst others - and a defence of the fundamental ideas of Marxism and scientific socialism against these revisionist arguments.

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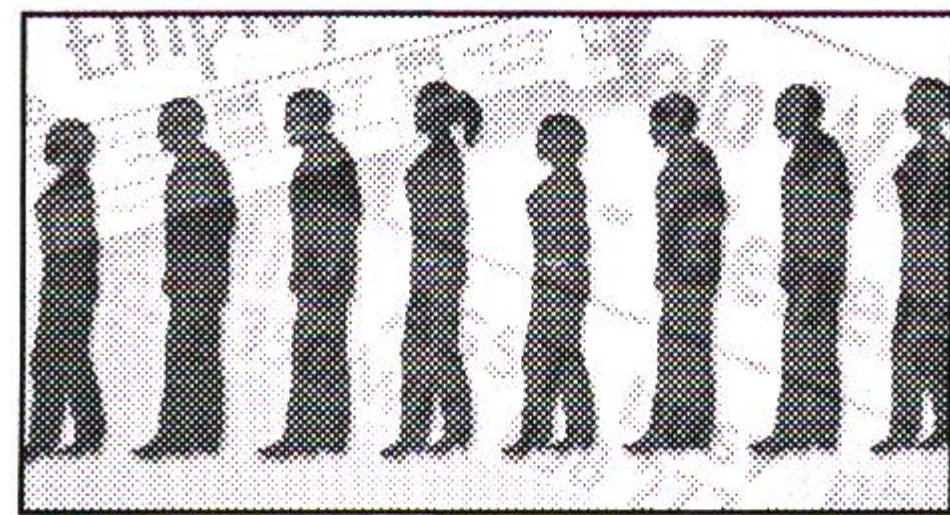


# Fight job losses. Fight unemployment

WHOSE FAULT is it that nearly 30,000 workers have lost their jobs with the closure of all the Woolworths stores? Not the workers, that's for sure. We are due to see an avalanche of job losses after Christmas. Unemployment is nearly 2 million already, and due to hit 3 million in 12 months' time. None of these workers deserve to lose their jobs. They are the victims of a capitalist system that is just not working. How can we make things better? If we fight for work or full pay, the bosses would soon find them something to do.

But workers threatened with loss of their jobs need help from the rest of us. It is ridiculous and wrong that overwork exists side by side with unemployment. Life is not easy under twenty-first century capitalism. Families work all the hours and are often bogged down with juggling child care as well. Working class people are usually up to their necks in debt and rushing around under all the financial and other pressures. We believe there should be more to life than this. We believe everyone has a right to wind down and enjoy themselves. We know why people work such long hours. It's because they can't make ends meet any other way. Even when we get a decent living wage, there will still be pressure on workers to put in those extra hours. We intend, by

raising the general level of workers' wages, to make sure that workers will not feel the



need to work overtime in order to get by.

We need a shorter working week not just to improve our own quality of life, but as a way of sharing out the work. We propose that, instead of laying workers off while others keep working long hours, the working week should be reduced across the board and nobody lose their livelihood altogether. Then the question will inevitably be posed - who will pay? We say the bosses should pay. It's their system and the fluctuations in the level of trade they can handle is nothing to do with us. If the system can't provide the steady work we need to live, then the bosses' system will have to go:

- Work or full pay.
- Share out the work with no loss of pay.
- Make the bosses pay for their crisis. □

## 2009: the spectre is back

IN 1848 The Communist Manifesto opened with the line, "A spectre is haunting Europe - the spectre of communism." The spectre of Marx haunts world capitalism still.

Let's be clear about this. We seem to be entering into a completely new era of capitalist development. Everything is changing. Everything is under challenge. All the things we took for granted have gone. The dominant ideology of the past thirty years - call it neoliberalism, call it market fundamentalism, call it capitalist triumphalism - is completely discredited. The state rushed in to prop up the capitalist system.

### Neoliberalism

Everyone now knows that the 'masters of the universe' who were making things happen in financial markets were incompetent, were crooks or both. Everyone now knows what the market system delivers - it delivers unemployment, it delivers chaos. It has failed. This is causing a profound questioning among millions of workers.

The years of steadily rising living standards, of relatively full employment have gone, never to return. This year, and for years to come, workers look with trepidation at their future. Will they have a job? Will they still have a roof over their heads?

Who predicted this? Only one man. Only Karl Marx. Life teaches, and today people are being forced to learn very quickly. With this comes a desire to really understand how this system works. What better authority to turn to than Karl Marx himself, who long ago explained the mechanism that lead to crises like the present one we are living through.

### Overproduction

"It is enough to mention the commercial crises that by their periodical return put the existence of the entire bourgeois society on its trial, each time more threateningly. In these crises, a great part not only of the existing products, but also of the previously created productive forces, are periodically destroyed. In these

crises, there breaks out an epidemic that, in all earlier epochs, would have seemed an absurdity - the epidemic of over-production. Society suddenly finds itself put back into a state of momentary barbarism; it appears as if a famine, a universal war of devastation, had cut off the supply of every means of subsistence; industry and commerce seem to be destroyed; and why? Because there is too much civilisation, too much means of subsistence, too much industry, too much commerce."

### Communism

Workers will draw the lessons from this catastrophe. Marx didn't write the Manifesto just to show he was right. He wrote it to urge the need to end capitalism and bring in a higher order of society - socialism. The Manifesto ended with the rousing cry. "The proletarians have nothing to lose but their chains. They have a world to win. Working men of all countries unite!" That is still our task. □



## Glasgow says 'No Pasaran'

By Ewan Gibbs

SATURDAY 13TH December saw fascists once again attempt to organise in Glasgow's city centre. A few weeks ago it was the pleasantly named and completely ineffective 'Racial Volunteers Squad' who were intimidated just by the sight of the number of left wingers who were also handing out propaganda on Buchanan Street. However this Saturday saw those fine defenders of white nationalism, the racist British National Party attempting to distribute their paper, the aptly titled 'Voice of Freedom' to unwitting members of the public. Although perhaps it remains doubtful how effective five ageing BNP members, complete with hoisted Union Jack shouting about keeping Britain British and offering the real voice of freedom, actually are.

### Mobilisation Stopped Them

The BNP was stopped in its tracks by a mobilisation of the left. Supporters of Glasgow Anarchists, the Scottish Socialist Party and Socialist Appeal were joined by members of the public in picketing the BNP; preventing them from propagandising amongst passers by through surrounding their members and encouraging the public not to receive any of the vile fascist nonsense that the BNP were pedalling. Such an approach has been successful when the BNP have previously set up stalls in Glasgow and proved effective once again. This tactic is in effect a form of united



front and has seen the BNP repeatedly outnumbered and outgunned by the left. It has left its members demoralised, and, as is ever the case with fascism, reliant on the defence of the police.

The BNP were subject to ridicule from many passing members of the public, with one who attempted to confiscate newspapers from one of their members being arrested.

The heroic warriors of the white race were horrified by this vicious attack with one declaring "I won't let them attack *my woman*" before going onto give witness statements to the police who had taken the supposed aggressor away in custody. Not long after the BNP packed up and left complete with police escort, evidently shaken by the response they had received and the scale of the opposition they faced.

The lessons of this experience are clear. It is evident that fascism will not be defeated by the forces of the state and that the legalistic attempts of the right wing of the labour movement and others to ban the BNP or rely on the state to stop racism are misplaced and that only the mobilisation of the working class will stop them. However, this is only the beginning, and whilst driving the BNP from the streets is an essential part of fighting fascism, it is not in itself enough. A political solution is also necessary; only through fighting for a bold socialist programme in those areas where the BNP are organising that we will be able to see the back of them. □

## Kick fascists out of our unions

THE NEW Employment Bill is wending its way through Parliament. It's feeble stuff that preserves all the basic principles of anti-union laws. But some of it defies belief. Why on earth does Gordon Brown feel the need to water down the Bill so as to defend fascists' rights?

### ASLEF expels BNP member

In 2002 ASLEF tried to expel a BNP member. It took a five year battle, going up all the way to the European Court of Human Rights, to establish that trade unions, like religious groups and political parties, had the right to include only those who shared their beliefs and ideology as members. So we don't have to

put up with fascists in our ranks.

The ECHR was quite clear. "Unions must remain free to decide, in accordance with union rules, questions concerning the admission to and expulsion from the union." Since the Human Rights Act was passed into law ten years ago, judgements of the ECHR have the force of law in this country. So why is the government dragging its feet in implementing the law? What's the problem?

### Fascists Milking Union Funds

Tony Lloyd chair of the TU Group of Labour MPs said the Lords amendment offered "too much protection" to the individual at the

expense of the rights of the unions.

The government's formulation will allow fascists to milk the funds of our trade unions for their own murky political purposes with malicious litigation.

### Our Unions, Our Democracy

Lloyd claimed that the BNP in its magazine was telling their members to join a union so they could reveal themselves before seeking a "five-figure payout" in compensation.

We defend the principle that the trade unions are core organisations of the working class. There is no place in them for known enemies of the labour movement. □



# How Blair felt 'instant sympathy' for Murdoch

By Dan Morley

BURIED ON page 11 of the Guardian on 1st November is an article, extremely enlightening in its simplicity, reporting the 'news' that during office Blair was only too happy to do Rupert Murdoch's bidding. According to Lance Price, former Downing Street spin doctor, Murdoch was 'one of the four most influential people in the administration'. Never mind that he was totally unelected, not actually a part of any 'administration', or that he is a US citizen whose company (News Corp.) pays no net tax.



## 'Official Investigation' On Hold

The Guardian reports that, "Tony Blair helped Murdoch overcome an official investigation which was jeopardising one of his big investments...Blair, while prime minister, immediately ordered his top officials to help the tycoon." One wonders why his big investment was being jeopardised by an 'official investigation', and whether it crossed Blair's mind that perhaps it was being investigated for a reason. But apparently he was blinded by sympathy. "Blair told the media magnet he was 'instinctively sympathetic to what Murdoch was aiming to achieve.'" Clearly Blair's instincts have been finely honed to the interests of the highest bidder. He felt that "it was important that the UK remained at the cutting edge of developing this kind of media product." Indeed. The product, which enabled Sky Digital viewers to bank whilst watching TV, was so 'cutting edge' that it collapsed by 2001, overtaken by internet banking!

## Concentrated Economics

Here we have a fine example of how politics is 'concentrated economics'. Lenin explained how bourgeois democracy is a sham, since 9/10s of all forms of communication are owned and controlled by a small minority. Murdoch, who makes Citizen Kane look like the local gazette's leading shareholder, uses his media might to influence elections, and then demands that his government carry out policies that allow him to expand his power, thus in turn influencing more elections. No wonder he was (and no doubt still is) amongst the four most influential people over the government. One has to ask the question, where do the millions of voters who elected the government

## odds'n'ends

STOP WASTING our money! A recent report by professor Paul Gregg calls for benefits to be stopped for anyone who "does not co-operate" in looking for a job. Gregg wants those who show insufficient zeal to be held in "work equal activities." This is similar to "school detention." The malcreant would have to get on a computer and start searching. Minister Purnell welcomed this "independent" report. In fact he had commissioned it himself to confirm his own reactionary prejudices. "The direction of travel is the right way," he declared.

Class warrior? The Labour Party has selected David Shaw as its candidate for an East Ayrshire council by-election. A Ferrari-driving multi-millionaire with a fortune from the milk trade, he is a former chair of South Ayrshire Conservative party. During the miners' strike he enjoyed toasting Margaret Thatcher in the area's pubs, the better to annoy the locals. Where do they dig these people up?

US think tank Global Financial Integrity has worked out that the world's poorest countries lose \$900bn a year from 'illicit' flights of capital. This includes bribes, corruption and tax evasion. This sum is ten times greater than the whole world aid budget. Rich countries find it more blessed to receive than to give.

Drunk in charge? The two biggest pubcos in the land, Punch Taverns and Enterprise Inns, have seen more than 70% wiped off the value of their shares. Dividends have been cancelled and concerns expressed as to their long term viability. So what happens? The chief executives of the two firms have collected long term incentive awards of £1.17m. Incentives for failure, presumably? Both bosses have laden the chains with debt, careless of the future. As the financial commentator sums it up, "The economics of the pub industry are crazy." Nils Pratley (Guardian 10.12.08) comments, "The biggest six quoted operators are carrying borrowings of £14bn between them. The stockmarket ascribes a combined equity value to these companies of just £2.4bn ...The MPs correctly called the use of debt 'reckless'...they are right to be concerned: the economics of the pub industry are crazy."

Things are looking up! Merrian-Webster Online has published the words most looked up on their database in 2008. Number three on the list came the word socialism. They claim traffic to their site "now exceeds 125 million individual page views per month", so that means many millions of US citizens are searching for the meaning of socialism. Surely a sign of the times.



# Benefit fraud

## The rich get richer, the poor get prison

by Will Roche

IF YOU'RE a fan of the writer George Orwell then you may find Gordon Brown's recent proposals to install lie detectors into phone lines at benefit offices frighteningly reminiscent of the novel '1984', which was about a draconian totalitarian state that constantly monitored its citizens, and tried to brainwash them into submission. Well, it seems that Orwell was only 24 years out.

### Benefit Fraud

The government is proposing that so-called "voice-risk analysis software" be used by council staff to help identify suspect claims. It can detect minute changes in a caller's voice, which give clues as to when they may be lying.

Now, given that the cost of living has risen faster in Britain than in any other major economy in the world; that families are now having to pay an extra £1,300 a year in household bills to keep up; that the recent government bail-out package is set to cost UK taxpayers £2,000 each; yet unemployment benefit only offers £2,900



**Benefit thieves,  
our technology is  
tracking you.**

Fraud investigators monitor suspected benefit thieves. By checking and cross-checking data, it's only a matter of time before we catch you.

**Corporate fraud £72bn a year: government persecutes poor**

per year, some may be tempted to consider benefit fraud as a way of reclaiming some of their losses.

But that aside, if it's fraud the government wants to tackle, then it's picking on the wrong people. According to government figures, benefit fraud cost the British economy about £700m in 2005/06. That's not a small sum. It's enough money to pay 26,000 NHS nurses for a year. But when it comes to swindling, "dole cheats" aren't the biggest drain on the UK economy. Not by a long shot.

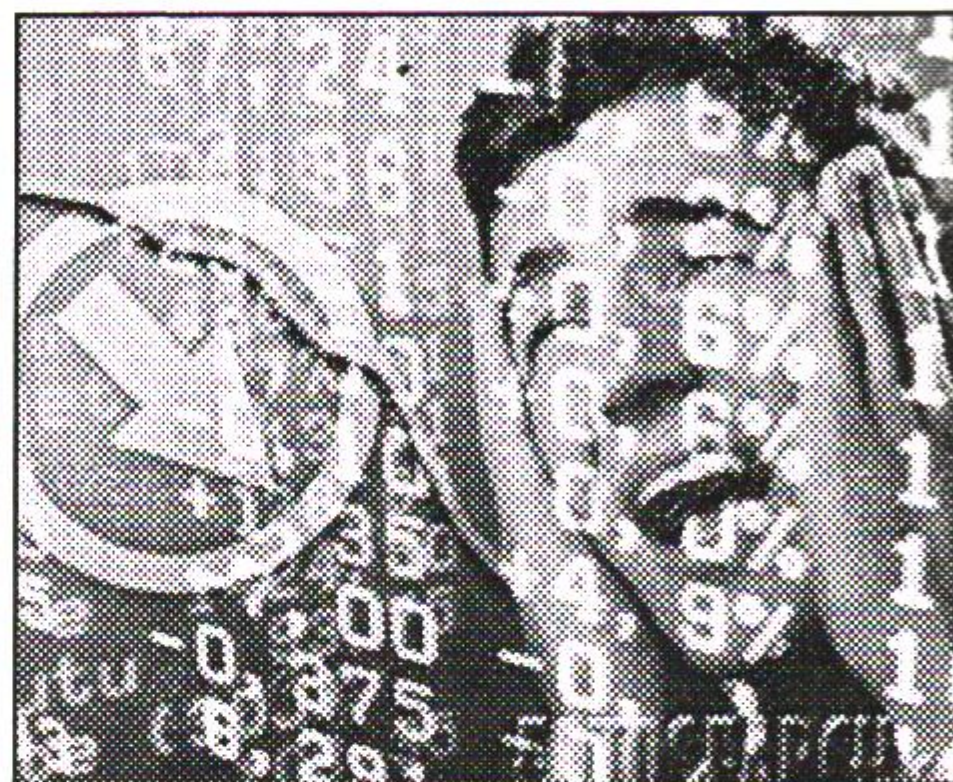
### Corporate Fraud

Corporate fraud is costing Britain a whopping £72bn a year according to a report by the Association of Certified Fraud Examiners. That's a hundred times as much! Despite the warning of recent corporate scandals involving Enron, WorldCom, Parmalat and Refco, UK companies are still estimated to be losing at least 6% of their annual revenue to fraud and corruption.

In 1990, the former Chairman of Guinness, Ernest Saunders, and two other men were jailed for their part in the share-support scandal during Guinness's £2.6bn takeover bid. Last year, Michael Bright, former chief executive of Independent Insurance, along with two of his deputies, was convicted of conspiracy to defraud after bringing one of Britain's largest insurance companies to its knees with debt. Earlier this year three British businessmen, known as the NatWest Three, were sentenced to 37 months of imprisonment for seven counts of fraud against their former employer National Westminster Bank.

And in the last few months, employees, stockholders and pension plans around the world have seen \$ billions in stock value evaporate after business scandals and corporate malfeasance rocked Wall Street. The most notable scandal so far is that of Bernard Madoff, one of Wall Street's most respected financiers, who saw his huge pyramid scheme collapse with losses of at least \$50bn! Madoff was taking investors' money and using it to

pay other investors, claiming fraudulently that it was the return on their investments. When several big clients asked for their money back they found that the cupboard was empty. "It's all just one big lie," Madoff later confessed as he gave details of one of the worlds biggest ever frauds.



### Conclusions

The conclusions one might draw from this article are bleak. The £72bn thought to be lost each year to corporate fraud in the UK alone is enough to end world homelessness, world starvation and world illiteracy, yet, the government seems to be putting more effort into persecuting the poor. Why?

When Marx said we are living in a class society and the state protects the interests of the ruling class, he was obviously telling the truth.

The British government and other capitalist states have proved incapable of saving us from the effects of capitalist crisis. Some estimate the current crises will lead to the loss of 20 million jobs worldwide, and cost taxpayers trillions.

Governments talk about social justice, yet they consign millions to welfare dependency. The plan to install lie detectors into benefit offices is yet another violation of human rights in the name of profit, which exposes the true class nature of the state. If this is the best capitalism can offer us in the 21st century, then shouldn't we change it for something better? □



# Stop Royal Mail Sell-Off Madness

by Andy Blake, CWU

THE GOVERNMENT has thrown its weight behind the Hooper Report and decided to sell its 30% stake in Royal Mail. Mandelson (him again!) has swung them behind the privatising ideologues.

Apart from anything else, the policy is staggeringly irrelevant to the real and urgent problems facing Britain. It is as if New Labour, forced to put its neo-Thatcherite policies on hold by the economic crisis, have taken the opportunity to prove to big business that they are as soft a touch as ever in doing their bidding. Ironically the announcement came on the same day as Ofgem announced an enquiry into the way the privatised power companies carved up the energy market and how they screw the consumers.

## Profit

The background to all this is that Royal Mail has been making shed loads of profit for us as a publicly owned company for years. The trouble was that the Treasury has been using the Post office as a milch cow all that time, siphoning off all the money. Then the government complains that the firm hasn't invested. No wonder!

Mandelson's answer is to bring in the private sector. As the big six energy companies have forcibly reminded us, these characters are only in it for what they can loot. They won't put in. They'll just take out. TNT made a packet providing the scab lorries used to break the Fleet Street printers strike in 1986-87. Last year they made a total hash by losing discs with details of 25 million child benefit claimants they were paid to deliver. Now they've been rewarded by being promised a slice of the Royal Mail. No silly nonsense about competitive tendering. TNT are already set up as by Mandelson as the preferred bidder.

## CWU

Quite naturally the main trade union representing the workers, the CWU, is relieved that the government has declared the pension fund safe. But it's a liberty that New Labour have only guaranteed pension rights – with a possible £8bn deficit looming – in order to fatten up Royal Mail for privatisation. It would never do for the private sector to have to shoulder any of the losses, would it?

The government's handling of the Royal Mail has been a disaster. It is true that it has begun to make a loss and that investment has fallen behind. But the Post Office is bleeding to death from a thousand cuts and long years of government neglect. Thousands of sub-Post Offices have been closed, despite 4 million people signing a petition against closure. This has torn the heart out of many local communities. It is shredding a web of local offices which would have



put the Post Office in an excellent position to barge the failed commercial banks out of the way with and replace them with a people's bank using branch offices. After all, there are still more POs than branches of all the commercial banks in Britain.

## Daft

The government's plan is daft. But they are in a weak position, and they know it. As soon as the announcement was made, Jim McGovern resigned in disgust as PPS. Over a hundred Labour MPs are said to be against the plan. Will they show the gumption to oppose Brown and Mandelson? Labour did, after all, pledge to the electorate that Royal Mail would remain in public hands in the 2005 election. Public ownership was also a commitment in the 'Warwick II' negotiations with the trade unions over the summer.

The Communication Workers' Union has yet to declare its hand. Postal workers must be worried sick. Privatisation always means worse pay and conditions for the work force as well as a deteriorating service for the public. How else can the privateers make money?

## Fight

Well, they're not making money at our expense! Royal Mail has functioned as a public service for 350 years. The entire working class has a stake in it. Let's unite to throw out the plan and keep the service public. □



# The tempo of the struggle

by Terry McPartlan

THE EVENTS of the past year or so, financial meltdown, political instability, uncertainty over jobs and the threat that many workers could lose their homes represents a huge shift in society, both internationally and especially in Britain where the effects of the "credit crunch" have been particularly acute. In the context of such a deep crisis the halcyon days of the "feel good factor" and the "15 years of unbroken economic growth", seem like ancient history.

The effects of this crisis are very complex and the political repercussions will take years to play out fully. Indeed recent economic information indicates that the real economy is about to be hammered by the crisis, approximately a year to 18 months after the onset of the sub-prime mortgage crisis in the US. The US economy is now losing jobs faster than at any time in the last three decades. Twenty five thousand Woolworth's workers are about to get made redundant - "that's the wonder of"..... world capitalism." Sony is set to lose 16,000 jobs and Rio Tinto 14,000. Unemployment rose by 533,000 in November alone in the US.

## Parliamentary Superstructure

As we've often explained before, parliament with all its trappings sits on top of society like the superstructure on a ship and the Labour leaders are subject to enormous pressures from all classes in society. Gordon Brown sitting in the crow's nest has looked par-

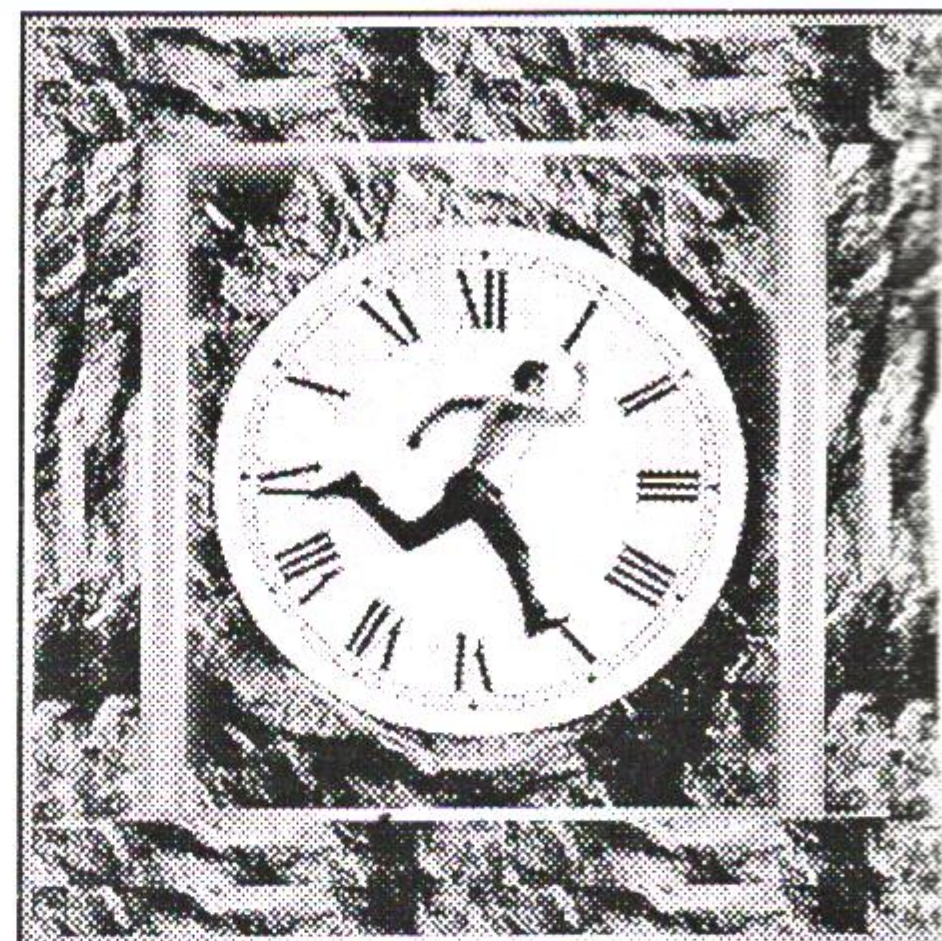
ticularly green as the crisis has thrown him into the maelstrom. The speed of events has vastly increased and the depth of the crisis has meant that there have been rapid shifts in policy and perspective as the bourgeoisie have clampered for billions to shore up their system.

From the point of view of Marxism, however, what is decisive is the effect that the crisis has on the working class. How will workers respond to the crisis? What will be the effect on the class struggle? Is it possible to accurately predict the likely course of events or is it the case that the crisis means that all bets are off and that it's every man for himself and the devil take the hindmost.

To examine what sort of response the working class is likely to make to the current crisis it's important to consider what the situation is like on the shop floor. As we have explained elsewhere, "Millions of workers face short-time working, cancellation of overtime or sackings and closures. The bosses are demanding wage cuts, under threat of closure. This means a general reduction in living standards, which in turn means a new fall in demand, with more closures, unemployment and new cuts." The crisis of world capitalism is gathering speed - Marxist.com.

## Political Consciousness

What about the change in workers' political consciousness? It's obvious that there is a real change in the mood



and many workers are looking for answers to the situation they find themselves in. The contradictions within capitalism are very clear to see at the moment, the financial crisis and the effects on the real economy are forcing many workers to question the system and the way it works.

The short answer is that both these observations are entirely correct. However, the effect of the crash on the class struggle is more complex. From a bourgeois point of view and from an accountant's point of view, balance sheets have to be balanced, profits have to continue to be made and more than anything else the working class has to pay for the crisis.

## Complexity

So shops and factories are shutting down, lines are closing because there are huge piles of unsold goods on the shop floor, there's no overtime and so on.

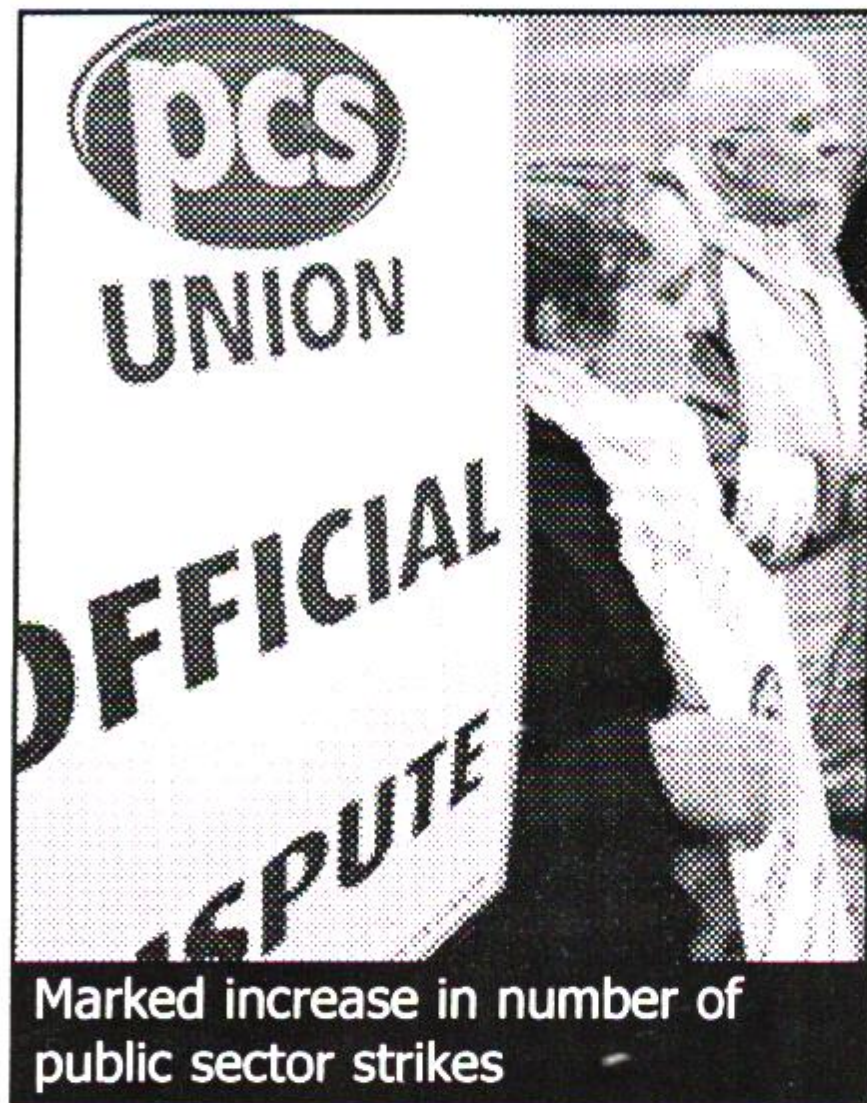
How will workers respond? Trotsky pointed out in his article "The third period of the Comintern's errors", which was written in 1930 around the time of the Wall Street Crash that instead of automatically leading to radicalisation, the effect of big economic events was to open up a new cycle of events and a new period of sharp and sudden changes resulting in rapid changes in the psychology of all classes. He explained that the course of development of the class struggle was





rooted in the preceding period and that:

"In discussing the radicalization of the masses, it should never be forgotten that the proletariat achieves "una-



nimity" only in periods of revolutionary apex. In conditions of 'everyday' life in capitalist society, the proletariat is far from homogeneous. Moreover, the heterogeneity of its layers manifests itself most precisely at the turning points in the road. The most exploited, the least skilled, or the most politically backward layers of the proletariat are frequently the first to enter the arena of struggle and, in the case of defeat, are often the first to leave it. It is exactly in the new period that the workers who did not suffer defeats in the preceding period are most likely to be attracted to the movement, if only because they have not yet taken part in the struggle."

### Low Level of Strikes

The position in Britain over the last two decades has been of a low level of strikes, a relatively empty trade union movement and a virtually empty Labour Party. Under these conditions the bureaucracy has held sway by and large and has held back the movement. However as we have seen over the last couple of years there has been a marked increase, particularly in the public sector, in strike action - although the character of this has been fairly disjointed and has fallen short of the "united coordinated action", that was being heralded by the trade union leaders. Trotsky faced a similar position in respect of a discussion inside the

French CGTU (Trade Union Federation) where the Stalinists took an ultra left line against the syndicalists who argued that the workers were not moving towards radicalism:

"As a matter of fact, these figures testify not only that a new cycle of proletarian struggle has begun, but also that this cycle is only in its first stage. After defeat and decline, a revival, in the absence of any great events, could occur only in the industrial periphery, that is, in the light industries, in the secondary branches, in the smaller plants of heavy industry. The spread of the strike movement into the metal industry, machine shops, and transportation would mean its transformation to a higher stage of development and would indicate not only the beginning of a movement but a decisive turn in the mood of the working class. It has not come yet. But it would be absurd to shut our eyes to the first stage of the movement because the second stage has not yet begun, or the third, or the fourth. Pregnancy in its second month is pregnancy. Forcing it may lead to a miscarriage, but so can ignoring it. Of course, we must add to this analogy that dates are by no means as certain in the social field as in physiology."

### Contradictory Moods

We correctly pointed out over the summer that the contradictory moods within sections of the public sector unions reflected the fact that many workers had "bigger fish to fry" and were unenthusiastic about strike action at that point over pay restraint. But it would be wrong to think that this necessarily means that the working class will remain passive for long.

Although the last few years have been quiet on the industrial front and as we've pointed out many workers have no first hand experience or even memory of the miners' strike and the waves of industrial struggle in the 1970's it also true to say that there have been very few major defeats over the past several years and that as such the working class has been strengthened.

It is wrong to assume that the workers will just be "stunned" into inactivity by events, although it has to be said that the financial crisis has

resulted in a sharp intake of breath for many workers and to personal tragedy and misery for those who have lost their houses and their jobs. But, as Trotsky explained the crash has begun "a new cycle" in British politics, and in the class struggle.

### Defensive Struggles

In the current situation, it's most likely that there will be defensive struggles and further demands for nationalisation and bail-outs of companies. But there is no such thing as a final crisis of capitalism, it is senile and decayed yes, but it needs to be overthrown. As Trotsky explains:

"But leaders who wish to begin only when everything is ready are not needed by the working class. One must be able to see the first, even though weak, symptoms of revival, while only in the economic sphere, adapt one's tactics to it, and attentively follow the development of the process. Meantime one must not even for a moment lose sight of the general nature of our epoch, which has proved more than once and will prove again that, between the first symptoms of revival and the stormy upsurge that creates a revolutionary situation, not only forty years but perhaps a fifth or a tenth of that are required."

### Uneven Development

On a world scale the political and social implications of the crisis will be profound and will play out in an uneven fashion. In Greece where there have been 10 general strikes since the Nea Demokratia (Tories) came to power and the youth have been fighting the police on the streets, the political consequences are very apparent. (See pages 20-21 for news on Greece)

The task of the Marxists is to learn from history and to study the class struggle as it develops on an international scale. Trotsky explained in the same article that the tempo of the class struggle can be importantly affected by the stage of development of the Marxist tendency in each of the countries. Our task is to explain events and to begin to arm the best of the youth and the most advanced workers with the ideas of Marxism, ideas that can change the world. □



# Does Keynesianism work?

by Mick Brooks

LIFE FOR workers under capitalism is an unremitting struggle. It's not just a struggle to pay the bills and make ends meet. It's also a struggle against the bosses and their political representatives. At present New Labour is still trying to reduce public sector workers' standard of living by imposing below inflation pay settlements. The Tories make it clear they would do the same. More and more private sector bosses are also declaring they will not be able to afford a wage rise next year.

Why do the ruling class launch attack after on the living standards of the working class? Marxists know that is because they have to. If the capitalist system could grow continuously, then it could provide higher living standards for both workers and capitalists, and the class struggle could be ameliorated. It is because capitalism is plunged into crisis from time to time, so that the level of output actually falls, that either the working class or the boss class has to take a cut. The capitalist class are determined that it will not be them that suffers.

## Reformism Practical?

Keynesianism is the only serious economic theory that contends it can do away with the tendency of capitalism to move from boom to bust by stimulating the economy. If it could really perform that miracle and eliminate the contradictions of capitalism, then it could provide a sound platform for reformism and ever-improving living standards for the mass of workers under capitalism. If Keynesianism works, then reformism is practical politics.

The long post-War boom was for many years seen as a vindication of Keynes' ideas. For this reason Keynesianism became the economic orthodoxy of the time. It was enthusiastically adopted as an ideology by right wing reformism after the Second World War during the period of the

post-War boom. It was the perfect excuse not to bother with the hard slog of organising and preparing for the socialist transformation of society. Since this was the golden age of the post-War boom, economists put two and two together - and made five. They assumed stability and growth were caused by Keynesian policies.

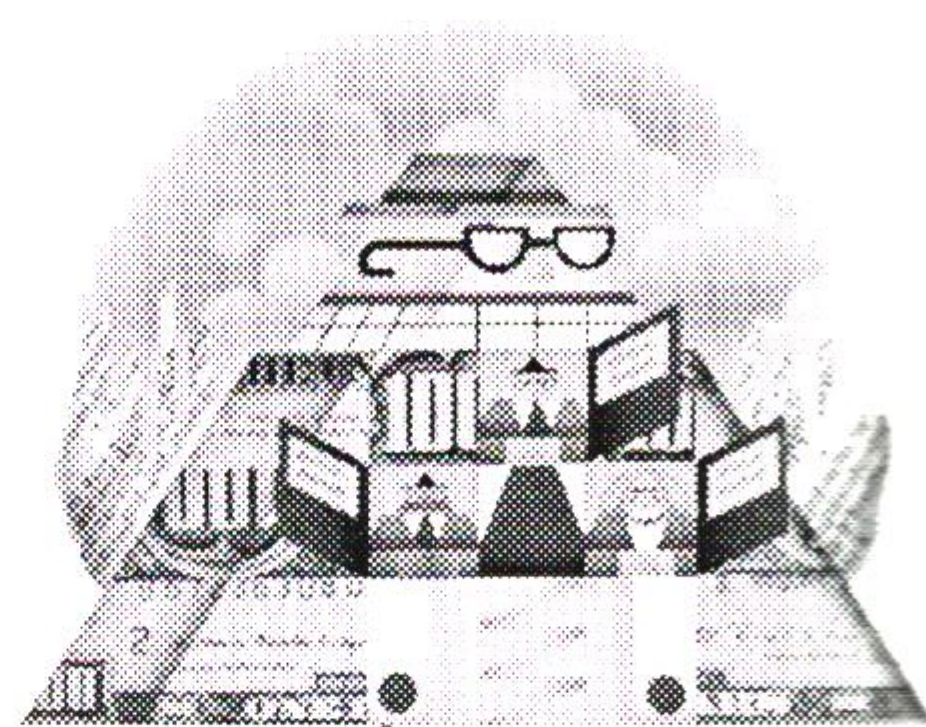
In fact in Britain successive governments were desperately trying to pay back the huge state debt they had built up during the War. So far from putting demand into the economy they were taking it out by running budget surpluses. The brute fact is that Keynesianism wasn't the saviour of the capitalist system. It still isn't.

## 1974 Crisis

The severe world economic crisis of 1974 caused a fundamental reassessment. Ever since the mid-1970s we have been told that Keynesianism is dead and discredited. "We used to think that you could spend your way out of a recession and increase employment by cutting taxes and boosting government spending. I tell you in all candour that that option no longer exists, and in so far as it ever did exist, it only worked on each occasion since the war by injecting a bigger dose of inflation into the economy, followed by a higher level of unemployment as the next step." This was the speech that PM Jim Callaghan made to Labour Party Conference, which heralded the end of Keynesian policies and the intellectual dominance of monetarism for the next thirty years.

## Callaghan and Monetarism

In the 1970s, first Labour under Callaghan, and then in the 1980s the Tories carried the monetarist counter-revolution through. Governments didn't even try to stimulate the economy as unemployment rose. Monetarist orthodoxy says that in a crisis the government should cut its coat according to



its cloth. It should cut wages and social spending. This was not just a dry economic theory. It was a justification of class struggle by the bosses that deliberately used mass unemployment to break down the power of the working class. New Labour continued these policies of monetarism and neo-liberalism that had become the new orthodoxy by the 1980s. This was part of a counter-revolution in economic thought, a return to the pre-Keynesian orthodoxy, central to which was a belief that the market was always right.

## Monetarism Discredited

Monetarism has in its turn now become discredited and, in the extremity of the present crisis, governments all over the world have reached out again for Keynesian remedies. So does Keynesianism work? Gordon Brown and his government seem to have had a dramatic conversion as happened to Paul when he fell off his horse on the road to Damascus. They believe the state can spend its way out of crisis. Can it?

The mechanics of Keynesianism rely on two policy instruments available to influence the level of activity in the economy - monetary policy and fiscal policy, juggling with the level of government taxation and spending.

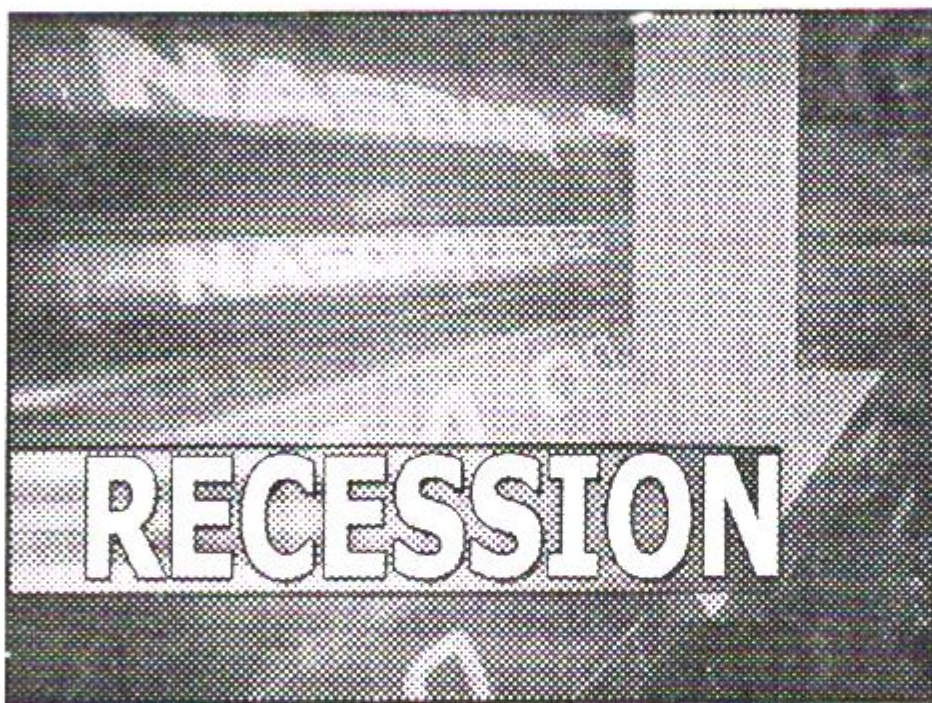
These days monetary policy is conducted by manipulating the rate of interest. Cutting interest rates should make it easier for people to borrow and increase spending that way. Raising rates will tend to hold the



economy back.

Changes in fiscal and monetary policy only work through to the economy after a lag, according to economic commentators. Whether they work at all is a moot point. As the reader will have realised, this economic model assumes a simple mechanical relationship between making it cheaper to borrow and spend, and people going out and spending it.

We see at present that the Bank of England's drastic interest rate cuts are not holding recession off. You can take a horse to water, but you can't necessarily make it drink. In recessionary conditions, people become cautious and are inclined to hang on to their money. That, of course, makes the crisis worse.



The American Fed has already slashed rates so that they are effectively negative (taking account of inflation) in the USA. Now when rates are already very low, how can further cuts be expected to have much of an effect? As Keynes said, 'You can pull on a piece of string, but how can you push on a piece of string?' It seems he was right.

### Fiscal Policy

Fiscal policy attempts to adjust the level of spending ('aggregate demand') throughout the economy by changing the level of government taxing and spending. The government can run a surplus, getting more than it spends, or a deficit, spending more than it receives. If it is in deficit, it usually covers the difference by borrowing. It sells government bonds to rich people.

Keynes argued that a fiscal boost was necessary in addition to a loose monetary policy to get the economy going. What was needed was for somebody to go out and spend money in order to mop up the unsold stocks

and get the factories working again.

The only big spender in town that could possibly do that was the state. Where would the money come from? There wouldn't be much point taxing people. That just transfers spending power from private pockets to the government. (This is what the Tories are arguing for. They oppose 'unfunded' cuts in tax.)

### Deficit Financing

So Keynes proposed the government should spend money it hadn't got. We've all done this at one time or another - it's called borrowing. Keynes and his disciples made the point that in a crisis people and material resources are both lying around unused and yet people complain that 'we're too poor' to have the things we want and need. This is indeed the paradox of poverty in the midst of plenty that is a feature of capitalism often pointed out by socialists.

If the government is spending more than it gets (deficit financing), this is supposed to stimulate the economy by increasingly total spending. The government can stimulate the economy by spending it on public works, by spending more than usual. Or it can cut taxes, again without cutting spending, - like the VAT cut in the recent Pre-Budget Report - so that it runs a deficit.

### Pre-Budget Report

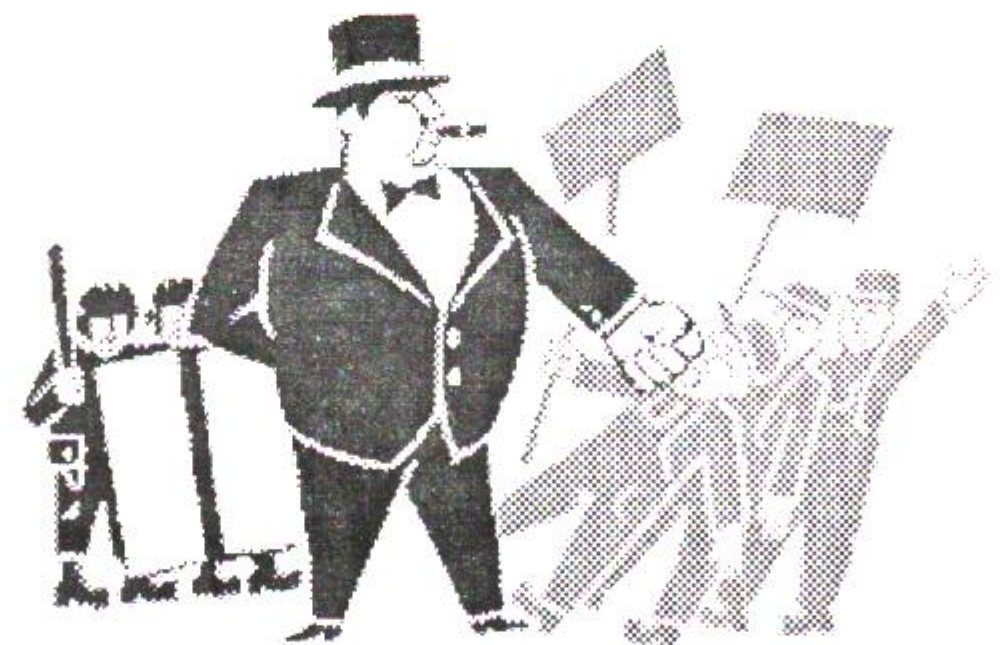
Keynes' critique of the economic orthodoxy of his day was illuminating, which doesn't mean that his own policies work. Rather than the government deciding the level of government spending, Keynes realised that it is the economic cycle that determines whether the government is in surplus or in the red. In the 1930s the Tories were cutting government spending, but that didn't balance the budget. Why? When the economy is booming, most people are in a job and the tax revenues roll in. When recession bites, the Treasury loses tax takings and has to spend more on unemployment benefit and social security. We see now that Keynes was right. As the economy lurches into recession, a stonking great deficit has opened up in the government's budget. By the end of 2009 the

government debt is likely to be £1trn and the budget deficit £120bn.

### Aggregate demand

The problem of capitalism in crisis is not just a matter of inadequate demand - of markets. It's a problem of profitable markets. Putting money in workers' pockets may create a market for capitalists but it doesn't give them any incentive to put their money into production. On the other side, boosting profits must necessarily be at the expense of workers' living standards somewhere along the line. Deficit financing doesn't do away with the class struggle.

The dilemma of any individual capitalist is that they want to pay their own workforce as little as possible to maximise profits; but they want every other capitalist to pay their workers as much as possible so they will act as a market for the goods. The problem of capitalism in crisis is that any attempt to boost profits hits the workers as a market for capitalist commodities; any attempt at boosting markets by upping wages or the social wage is seen as a threat to profits.



### Fiscal boost

The fiscal boost provided by the pre-budget report is supposed to be £20bn (1% of GDP is about £15bn). Is that enough? Probably not, and a small cut in VAT may not be much of a stimulus when stores are cutting prices left and right. But commentators say that more than that would cause the markets to panic. This means that capitalists will cast a veto on a fiscal boost sufficient to get British capitalism out of the mess it's in.

Keynesianism can't cut across the class struggle. For that reason it can't solve the problems of the capitalist system. □



## First defeat of the German Revolution

by Niklas Albin Svennson

IN ISSUE 167, we wrote about how the German Revolution ended World War I in November 1918. After 4 years of intense warfare, the German workers and soldiers ended the war that had cost millions of people their lives. The emperor fell and a Social Democratic government came to power. This was Germany's own equivalent of the Russian "February Revolution" of 1917 that overthrew the Tsar.

The workers and soldiers had taken power into their hands but also handed it over to the very same people who so shamefully supported the war in 1914. Right wing Social Democrats Ebert, Scheidemann and Noske were catapulted into power and Liebknecht and Luxemburg, who had opposed the war, were left with a small group of 3,000 revolutionaries in the Spartacus League. Another 200,000 could be found in the more left wing Independent Social Democrats (USPD) who initially participated in a coalition government with SPD.

### Illusions in the SPD

Throughout November and December, workers' and soldiers' councils were set up in many places in Germany. These were organs of revolutionary power, very similar to their Russian counterparts - the soviets. Yet most workers did not understand the full significance of these councils. Rosa Luxemburg argued in a speech to the founding congress of the Communist Party on New Year's Eve 1918:

'We must make the masses understand that the workers' and soldiers' council is in all senses the lever of the machinery of state, that it must take over all power and must unify the power in one stream - the socialist revolution. The masses of workers who are already organized in workers' and soldiers' councils are still miles away from having adopted such an outlook,

and only isolated proletarian minorities are clearly conscious of their tasks.' (*'Our programme and the political situation'*, Luxemburg, 1919)

The workers and soldiers were not yet conscious of the fact that they held power in their hands, and, like their Russian brothers and sisters in February 1917, they supported the compromisers, the counter-revolutionaries who, in Ebert's own words, 'hated revolution like sin' and were determined to put an end to it. In the same speech Luxemburg pointed out that the workers still had illusions in the Social Democrats:

### Luxemburg's Analysis

'Comrades! This first act [of the revolution], between November 9 and the present, has been filled with illusions on all sides. The first illusion of the workers and soldiers who made the revolution was: the illusion of unity under the banner of so-called socialism. What could be more characteristic of the internal weakness of the Revolution of November 9th than the fact that at the head of the movement appeared persons who a few hours before the revolution broke out had regarded it as their chief duty to agitate against it' (*'Our programme and the political situation'*, Rosa Luxemburg, 1919)

The workers had illusions in the leaders and the party (SPD) that had led them for many years. As a result, when elections came for the workers' councils, SPD triumphed over the Spartacists and also the USPD, who took up a position between the SPD and the Spartacus League. The SPD managed to secure four fifths of the 489 delegates to the first national congress of the councils.

### The government under pressure

Support for the SPD by no means meant that the workers were reformist. The same SPD-dominated

national congress voted through some remarkably radical policies. The congress supported the abolition of the standing army and introduction of a workers' militia, election (with the right of recall) of officers and nationalization of the key industries. The problem was, however, that the people that were set to organize and carry out these policies were by no means committed to them. Still, at times they were pushed into action by pressure from their supporters.

### Armed Demonstration

A short time after that Ebert had been appointed prime minister, an armed demonstration appeared outside the parliament, where Scheidemann was having coffee. The angry crowds brought him to the balcony in a hurry, where he announced Ebert's appointment. As in an afterthought he shouted 'long live the German Republic' and with those words the republic became a fact. Ebert was furious with his colleague, arguing that he had no right to proclaim the republic, but the deed was done. Any attempt to restore the monarchy would only have further radicalised the German workers, and the German ruling class had to accept the situation.

Like in Russia, Social Democrats had for a long time been putting forward the slogan of a constituent assembly, as a democratic demand against the rule of the Kaiser and the Tsar. Like in Russia, this demand was resurrected in November 1918 by the reformists, as a way of stalling for time. Instead of recognising the fact that the working class had, in effect, taken power into its hands, the constituent assembly would provide an excuse to delay any attempt by the workers to use this power. As a result, many impatient elements among the Spartacists were hostile to the assembly and instead argued for all power to be transferred to the soviets.



## A constituent assembly?

Karl Radek, emissary from the Bolsheviks, commented when he arrived in December that

'It was a very tempting idea to counterpose the slogan of the councils to that of a constituent assembly. But the congress of councils itself was in favour of the constituent assembly. You could hardly skip over that stage. Rosa and Liebknecht recognised that...But the Party youth were decidedly against it, "we will break it up with machine guns"'

## Workers' Councils

The workers were, as was stated before, still not conscious of the significance of the workers' councils, that they were a higher form of government, more democratic and appropriate for a real workers' state. The Spartacists thus in their propaganda started to separate off the most advanced layers of the working class from the more backward.

Lenin commented on this in his *'Left-Wing Communism an Infantile Disorder'*:

'In Western Europe and America, parliament has become most odious to the revolutionary vanguard of the working class. That cannot be denied. It can readily be understood, for it is difficult to imagine anything more infamous, vile or treacherous than the behaviour of the vast majority of socialist and Social-Democratic parliamentary deputies during and after the war. It would, however, be not only unreasonable but actually criminal to yield to this mood when deciding how this generally recognised evil should be fought.'

Unlike the Bolsheviks under the leadership of Lenin in 1917, the newly formed Communist Party proved unable to steer a course between the opportunism and reformism on the one hand and ultra-leftism on the other. The Bolsheviks in 1917 supported the calling of the Constituent Assembly at the same time as they urged the reformist leaders of the Soviets to take power. This they did in their propaganda right up to

they were themselves the majority in the Soviets and could put both of the demands into practice.

## Immaturity of Revolution

The immaturity of the revolution was ruthlessly exploited by the SPD government. Using the most backward elements of the peasantry and the petty-bourgeoisie, it launched a series of provocations against the revolutionary workers in the cities. Some of the soldiers came from these backward layers and were prepared to take up arms against the workers.

## Counter-revolutionaries

With the connivance of the government, right-wing soldiers were formed into armed groups of counter-revolutionaries, called the Freikorps. They were trained in counter-revolutionary operations in the Baltic states where



they operated against the Bolsheviks. The success of these troops against the young workers' state was such that the victorious allies made it part of the cease fire that they should continue to operate on occupied territory in the east - an extraordinary measure.

## Provocation

Gustav Noske was the Social Democrat who became responsible for the organization of these units and their deployment against the Spartacists, and he was henceforth known as the "bloodhound" of counter-revolution. In early 1919, he readied the Freikorps and organized a provocation. The battle ground was to be the chief of police in Berlin, Emil Eichhorn, who was sympathetic to the revolution and member of USPD. On 14 January, Rosa Luxemburg wrote:

'What triggered this week of combat? As in all previous cases, such as December 6 and December 24, it was a brutal provocation by the government. Like the bloodbath against defenseless demonstrators in Chausseestrasse, like the butchery of the sailors, this time the assault on the Berlin police headquarters was the cause of all the events that followed.'

(Luxemburg, *'Order Prevails in Berlin'*)

The government sacked Eichhorn and the workers mobilized to resist. As part of the struggle, armed workers seized the headquarters of the bourgeois press and the SPD paper *Vorwärts*. A particularly ferocious struggle took place over the latter, costing the lives of hundreds of workers. Inevitably, the courageous but isolated Berlin workers were defeated and reaction followed. The Communist party press was closed down and Rosa Luxemburg and Karl Liebknecht were arrested and murdered in this striking resemblance to the reaction in Russia after the July days of 1917.

Events in Germany had moved quicker than they did in Russia. After only two months, the revolution had suffered its first heavy blow with the defeat of the Berlin workers. This defeat was by no

means the final defeat of the working class that the counter-revolution had been looking for. Subsequent events were to prove, however, that the ultra-left attitude that the Spartacists took in these months had serious repercussions for the future development of the German Revolution. □



# Rosa Luxemburg

## What Does the Spartacus League Want?

ROSA LUXEMBURG wrote this programme in December 1918, a few days before the German Communist Party (the successor of the Spartacus League) was founded. We have had to shorten it slightly. Taken as a whole, the reader will realise at once that this is a call for a socialist Germany.

It is important to recognise that the Revolution had already broken out. The monarchy and the old order had crumbled into dust. The Republic had been proclaimed. Germany was covered by a network of workers' and soldiers' councils. These played the role that soviets played in the victorious Russian Revolution. They were organs of direct democracy involving the mass of the toiling population in their decision-making.

The problem was that the workers and soldiers organised in the councils still had confidence in the Social Democrats and handed power back to them. These right wing leaders were determined to wind up the councils and establish a bourgeois democratic republic. This was a classic situation of dual power.

The Communist Party was tiny. They set their target on the conquest of power, but first they had to conquer the working class. A price was put on the heads of the leaders of the KPD by the Social Democratic leader. Rosa Luxemburg and Karl Liebknecht were murdered by the proto-fascist Freikorps on January 15th 1919.

The first set of demands [Immediate measures to protect the Revolution] may be summed up as 'Disarm the bourgeoisie, arm the working class.' The second set of demands [In the political and social realm] is a call for a government of workers' and soldiers' councils. In addition to the listed demands is the call for a six hour working day, still a far-off dream for workers under capitalism. "Shortening of the working day to control unemployment and in consideration of the physical exhaustion of the working class by world war. Maximum working day of six hours." The third set of demands [Immediate economic demands] is for the expropriation of the capitalist class. □

## Rosa Luxemburg - What Does the Spartacus League Want?

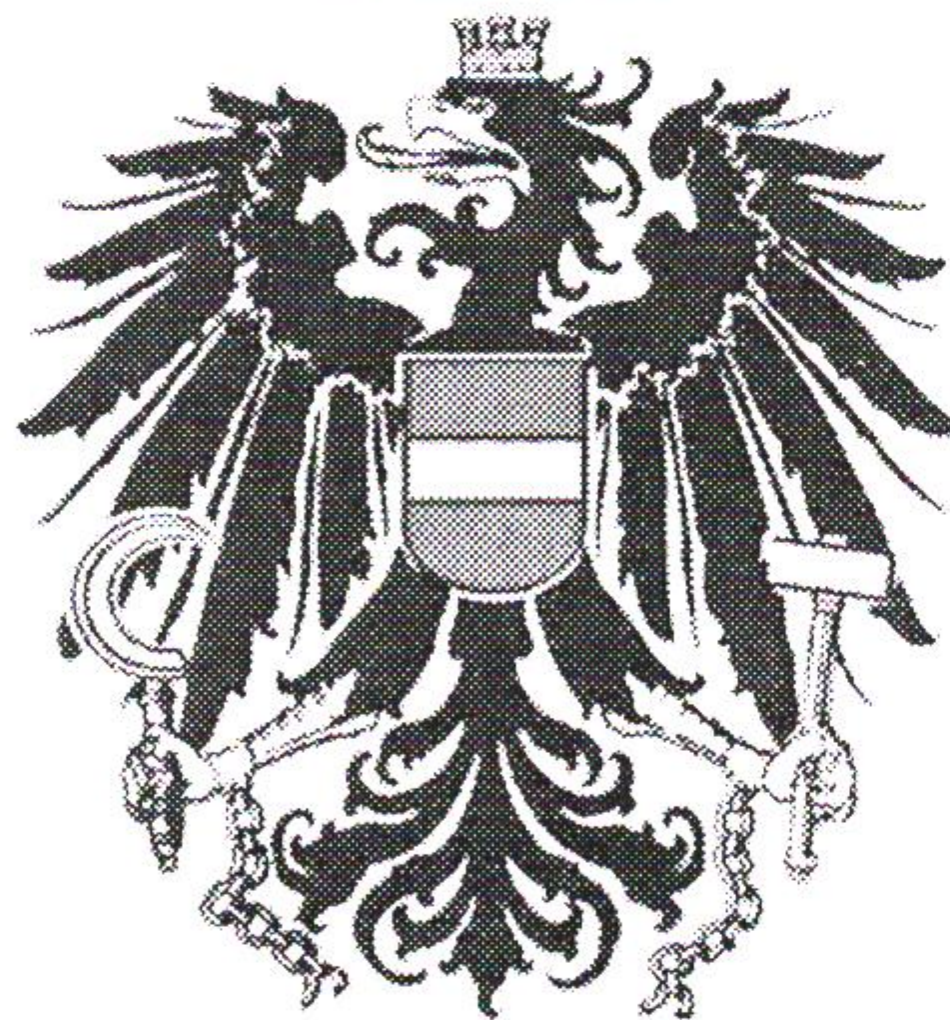
ON THE ninth of November, workers and soldiers smashed the old German regime. The Prussian sabres' mania of world rule had bled to death on the battlefields of France. The gang of criminals who sparked a worldwide conflagration and drove Germany into an ocean of blood had come to the end of its rope. The people - betrayed for four years, having forgotten culture, honesty, and humanity in the service of the Moloch [god that demands sacrifice], available for every obscene deed - awoke from its four-year long paralysis, only to face the abyss.

On the 9th of November, the German proletariat rose up to throw off the shameful yoke. The Hohenzollerns [Kings] were driven out; workers' and soldiers' councils were elected.

But the Hohenzollerns were no more than the front men of the imperialist bourgeoisie and of the Junkers [German landlords]. The class rule of the bourgeoisie is the real criminal responsible for the World War, in Germany as in France, in Russia as in England, in Europe as in America. The capitalists of all nations are the real instigators of the mass murder. International capital is the insatiable god Baal, into whose bloody maw mil-

lions upon millions of steaming human sacrifices are thrown.

### Hohenzollerns



The World War confronts society with the choice: either continuation of capitalism, new wars, and imminent decline into chaos and anarchy, or abolition of capitalist exploitation.

With the conclusion of world war, the class rule of the bourgeoisie has forfeited its right to existence. It is no longer capable of leading society out of the terrible economic collapse which the imperialist orgy has left in its wake.

Means of production have been

destroyed on a monstrous scale. Millions of able workers, the finest and strongest sons of the working class, slaughtered. Awaiting the survivors' return stands the leering misery of unemployment. Famine and disease threaten to sap the strength of the people at its root. The financial bankruptcy of the state, due to the monstrous burdens of the war debt, is inevitable.

### Bloody Confusion

Out of all this bloody confusion, this yawning abyss, there is no help, no escape, no rescue other than socialism. Only the revolution of the world proletariat can bring order into this chaos, can bring work and bread for all, can end the reciprocal slaughter of the peoples, can restore peace, freedom, true culture to this martyred humanity. Down with the wage system! That is the slogan of the hour! Instead of wage labor and class rule there must be collective labor. The means of production must cease to be the monopoly of a single class; they must become the common property of all. No more exploiters and exploited! Planned production and distribution of the product in the common interest. Abolition not only of the con-



temporary mode of production, mere exploitation and robbery, but equally of contemporary commerce, mere fraud.

In place of the employers and their wage slaves, free working comrades! Labor as nobody's torture, because everybody's duty! A human and honorable life for all who do their social duty. Hunger no longer the curse of labor, but the scourge of idleness!

Only in such a society are national hatred and servitude uprooted. Only when such a society has become reality will the earth no more be stained by murder. Only then can it be said: This war was the last.

In this hour, socialism is the only salvation for humanity. The words of the Communist Manifesto flare like a fiery menetekel [writing on the wall] above the crumbling bastions of capitalist society:

Socialism or barbarism!

## II

The establishment of the socialist order of society is the mightiest task which has ever fallen to a class and to a revolution in the history of the world. This task requires a complete transformation of the state and a complete overthrow of the economic and social foundations of society.

This transformation and this overthrow cannot be decreed by any bureau, committee, or parliament. It can be begun and carried out only by the masses of people themselves.

In all previous revolutions a small minority of the people led the revolutionary struggle, gave it aim and direction, and used the mass only as an instrument to carry its interests, the interests of the minority, through to victory. The socialist revolution is the first which is in the interests of the great majority and can be brought to victory only by the great majority of the working people themselves.

### Socialism into Life

The mass of the proletariat must do more than stake out clearly the aims and direction of the revolution. It must also personally, by its own activity, bring socialism step by step into life.

The essence of socialist society

consists in the fact that the great laboring mass ceases to be a dominated mass, but rather, makes the entire political and economic life its own life and gives that life a conscious, free, and autonomous direction.

From the uppermost summit of the state down to the tiniest parish, the proletarian mass must therefore replace the inherited organs of bourgeois class rule - the assemblies, parliaments, and city councils - with its own class organs-with workers' and soldiers' councils. It must occupy all the posts, supervise all functions, measure all official needs by the standard of its own class interests and the tasks of socialism. Only through constant, vital, reciprocal contact between the masses of the people and their organs, the workers' and soldiers' councils, can the activity of the people fill the state with a socialist spirit.

### Economic Overturn

The economic overturn, likewise, can be accomplished only if the process is carried out by proletarian mass action. The naked decrees of socialization by the highest revolutionary authorities are by themselves empty phrases. Only the working class, through its own activity, can make the word flesh. The workers can achieve control over production, and ultimately real power, by means of tenacious struggle with capital, hand to hand, in every shop, with direct mass pressure, with strikes and with the creation of its own permanent representative organs.

From dead machines assigned their place in production by capital, the proletarian masses must learn to transform themselves into the free and independent directors of this process. They have to acquire the feeling of responsibility proper to active members of the collectivity which alone possesses ownership of all social wealth. They have to develop industriousness without the capitalist whip, the highest productivity without slave drivers, discipline without the yoke, order without authority. The highest idealism in the interest of the collectivity, the strictest self-discipline, the truest public spirit of the masses are the moral foundations of socialist society, just as stupidity, egotism, and cor-

ruption are the moral foundations of capitalist society.

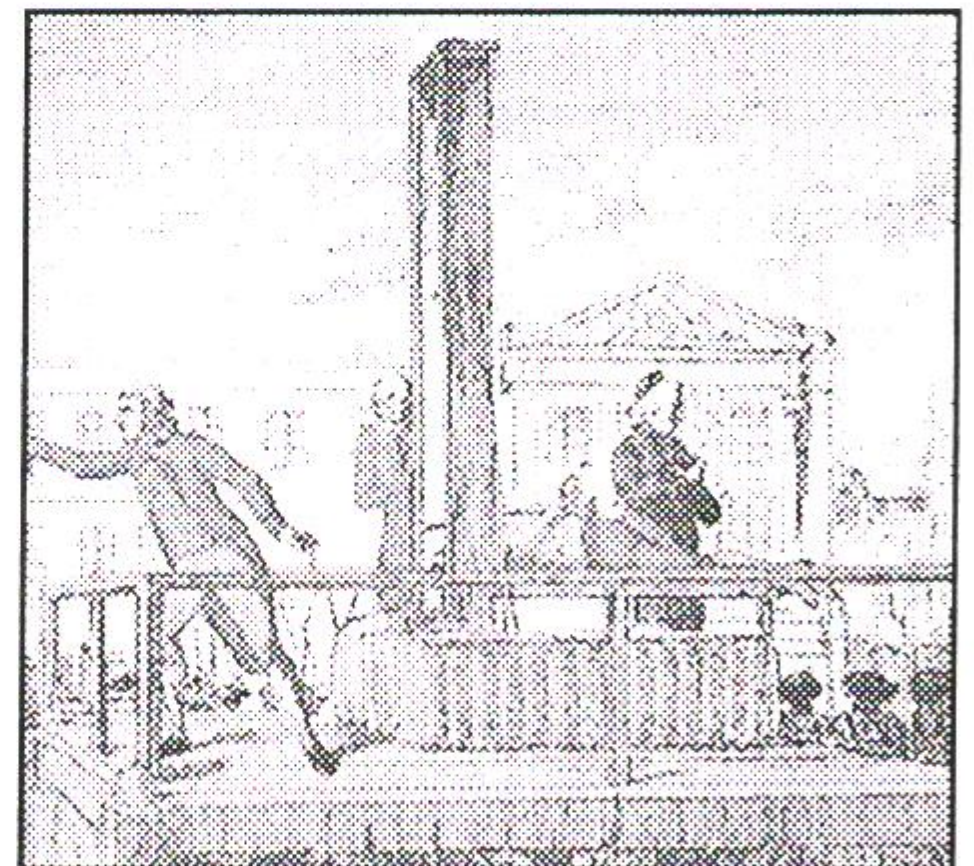
### Socialist Civic Virtues

All these socialist civic virtues, together with the knowledge and skills necessary to direct socialist enterprises, can be won by the mass of workers only through their own activity, their own experience.

The socialization of society can be achieved only through tenacious, tireless struggle by the working mass along its entire front, on all points where labor and capital, people and bourgeois class rule, can see the whites of one another's eyes. The emancipation of the working class must be the work of the working class itself.

## III

During the bourgeois revolutions, bloodshed, terror, and political murder were an indispensable weapon in the hand of the rising classes.



The proletarian revolution requires no terror for its aims; it hates and despises killing. It does not need these weapons because it does not combat individuals but institutions, because it does not enter the arena with naive illusions whose disappointment it would seek to revenge. It is not the desperate attempt of a minority to mold the world forcibly according to its ideal, but the action of the great massive millions of the people, destined to fulfill a historic mission and to transform historical necessity into reality.

But the proletarian revolution is at the same time the death knell for all servitude and oppression. That is why all capitalists, Junkers, petty bourgeois, officers, all opportunists and



# Rosa Luxemburg

parasites of exploitation and class rule rise up to a man to wage mortal combat against the proletarian revolution.

It is sheer insanity to believe that capitalists would good-humoredly obey the socialist verdict of a parliament or of a national assembly, that they would calmly renounce property, profit, the right to exploit. All ruling classes fought to the end, with tenacious energy, to preserve their privileges. The Roman patricians and the medieval feudal barons alike, the English cavaliers and the American slave dealers, the Wallachian boyars and the Lyonnais silk manufacturers - they all shed streams of blood, they all marched over corpses, murder, and arson, instigated civil war and treason, in order to defend their privileges and



Rosa Luxemburg

their power.

## Imperialist Capitalists

The imperialist capitalist class, as last offspring of the caste of exploiters, outdoes all its predecessors in brutality, in open cynicism and treachery. It defends its holiest of holies, its profit and its privilege of exploitation, with tooth and nail, with the methods of cold evil which it demonstrated to the world in the entire history of colonial politics and in the recent World War. It will mobilize heaven and hell against the proletariat. It will mobilize the peasants against the cities, the backward strata of the working class against the socialist vanguard; it will use officers to instigate atrocities; it

will try to paralyze every socialist measure with a thousand methods of passive resistance; it will force a score of Vendées [counter-revolutionary region in the French Revolution] on the revolution; it will invite the foreign enemy, the murderous weapons of Clemenceau, Lloyd George, and Wilson into the country to rescue it - it will turn the country into a smoking heap of rubble rather than voluntarily give up wage slavery.

All this resistance must be broken step by step, with an iron fist and ruthless energy. The violence of the bourgeois counterrevolution must be confronted with the revolutionary violence of the proletariat. Against the attacks, insinuations, and rumors of the bourgeoisie must stand the inflexible clarity of purpose, vigilance, and ever ready activity of the proletarian mass. Against the threatened dangers of the counter-revolution, the arming of the people and disarming of the ruling classes. Against the parliamentary obstructionist manoeuvres of the bourgeoisie, the active organization of the mass of workers and soldiers. Against the omnipresence, the thousand means of power of bourgeois society, the concentrated, compact, and fully developed power of the working class. Only a solid front of the entire German proletariat, the south German together with the north German, the urban and the rural, the workers with the soldiers, the living, spirited identification of the German Revolution with the International, the extension of the German Revolution into a world revolution of the proletariat can create the granite foundations on which the edifice of the future can be constructed.

The fight for socialism is the mightiest civil war in world history, and the proletarian revolution must procure the necessary tools for this civil war; it must learn to use them - to struggle and to win.

## Arming of Labouring People

Such arming of the solid mass of laboring people with all political power for the tasks of the revolution-that is the dictatorship of the proletariat and therefore true democracy. No where the wage slave sits next to the capitalist, the rural proletarian next to the Junker in fraudulent equality to engage

in parliamentary debate over questions of life or death, but where the million-headed proletarian mass seizes the entire power of the state in its calloused fist - like the god Thor his hammer - using it to smash the head of the ruling classes: that alone is democracy, that alone is not a betrayal of the people.

In order to enable the proletariat to fulfill these tasks, the Spartacus League demands:

### I. As immediate measures to protect the Revolution:

1. Disarmament of the entire police force and of all officers and non-proletarian soldiers; disarmament of all members of the ruling classes.

2. Confiscation of all weapons and munitions stocks as well as armaments factories by workers' and soldiers' councils.

3. Arming of the entire adult male proletarian population as a workers' militia. Creation of a Red Guard of proletarians as an active part of the militia for the constant protection of the Revolution against counter-revolutionary attacks and subversions.

4. Abolition of the command authority of officers and noncommissioned officers. Replacement of the military discipline by voluntary discipline of the soldiers. Election of all officers by their units, with right of immediate recall at any time. Abolition of the system of military justice....

### II. In the political and social realm:

1. Abolition of all principalities; establishment of a united German Socialist Republic.

2. Elimination of all parliaments and municipal councils, and takeover of their functions by workers' and soldiers' councils, and of the latter's committees and organs.

3. Election of workers' councils in all Germany by the entire adult working population of both sexes, in the city and the countryside, by enterprises, as well as of soldiers' councils by the troops (officers and capitulationists excluded). The right of workers and soldiers to recall their representatives at any time.

4. Election of delegates of the





entire country to the central council of the workers' and soldiers' councils, which is to elect the executive council as the highest organ of the legislative and executive power.

### III. Immediate economic demands:

1. Confiscation of all dynastic wealth and income for the collectivity.
2. Repudiation of the state and other public debt together with all war loans, with the exception of sums of certain level to be determined by the central council of the workers' and soldiers' councils.
3. Expropriation of the lands and fields of all large and medium agricultural enterprises; formation of socialist agricultural collectives under unified central direction in the entire nation. Small peasant holdings remain in the possession of their occupants until the latter's voluntary association with the socialist collectives.
4. Expropriation by the council Republic of all banks, mines, smelters, together with all large enterprises of industry and commerce.
5. Confiscation of all wealth above a level to be determined by the central council.
6. Takeover of the entire public transportation system by the councils' Republic.
7. Election of enterprise councils in all enterprises, which, in coordination with the workers' councils, have the task of ordering the internal affairs of the enterprises, regulating working conditions, controlling production and finally taking over direction of the enterprise...

### IV. International tasks:

Immediate establishment of ties with the fraternal parties in other countries, in order to put the socialist revolution on an international footing and to shape and secure the peace by means of international brotherhood and the revolutionary uprising of the world proletariat.

V. That is what the Spartacus League wants!

And because that is what it wants, because it is the voice of warning, of urgency, because it is the socialist conscience of the Revolution, it is hated, persecuted, and defamed by all the open and secret enemies of the Revolution and the proletariat...

In their hatred and defamation of



the Spartacus League, all the counter-revolutionaries, all enemies of the people, all the antisocialist, ambiguous, obscure, and unclear elements are united. That is proof that the heart of the Revolution beats within the Spartacus League, that the future belongs to it.

The Spartacus League is not a party that wants to rise to power over the mass of workers or through them.

The Spartacus League is only the most conscious, purposeful part of the proletariat, which points the entire broad mass of the working class toward its historical tasks at every step, which represents in each particular stage of the Revolution the ultimate socialist goal, and in all national questions the interests of the proletarian world revolution.

### No Participation

The Spartacus League refuses to participate in governmental power with the lackeys of the bourgeoisie, with the Scheidemann-Eberts, because it sees in such collaboration a betrayal of the fundamentals of socialism, a strengthening of the counter-revolution, and a weakening of the Revolution.

The Spartacus League will also refuse to enter the government just because Scheidemann-Ebert are going bankrupt and the independents [left wing social democrats, USPD], by collaborating with them, are in a dead end street.

The Spartacus League will never take over governmental power except in response to the clear, unambiguous will of the great majority of the proletarian mass of all of Germany, never except by the proletariat's conscious affirmation of the views, aims, and methods of struggle of the Spartacus League.

### Defeats and Victories

The proletarian revolution can reach full clarity and maturity only by stages, step by step, on the Golgotha-path of its own bitter experiences in struggle, through defeats and victories.

The victory of the Spartacus League comes not at the beginning, but at the end of the Revolution: it is identical with the victory of the great million-strong masses of the socialist proletariat.

Proletarian, arise! To the struggle! There is a world to win and a world to defeat. In this final class struggle in world history for the highest aims of humanity, our slogan toward the enemy is: Thumbs on the eyeballs and knee in the chest! ■





## Memories of 1968

by Manuel Reichetseder

THERE HAS been an explosion of anger among young people all over Europe. This anger is directed at hard-line neoliberal policies aimed at privatising education and casualising youth employment. In a word they have been designed to make young people bear the burden of capitalism. The youth have been fighting back. This inspiring movement recalls memories of the pan-European movement of 1968. It could be bigger and more significant, as it coincides with a reawakening of the organised working class in the teeth of the crisis of capitalism.

### Spain

The Spanish Socialist Party government attempts to introduce the Bologna process - privatisation of higher education. In the case of Spain this would be accompanied for example by the replacement of student grants with student loans. This sparked off a huge movement of students, which resulted in two student strikes, both called by the Marxist-led Sindicato de Estudiantes (Spanish Student Union). On 22 October 96% of high school and secondary students and 70% of university students throughout the country responded to the first strike call. Tens of thousands took to the streets in demonstrations in up to 40 different towns and cities (with e.g. 10,000 in Madrid and 5,000 in Barcelona). The movement was also a response to the crisis of capitalism which has hit Spain harder than most countries. It is one of the countries where the housing bubble was one of the biggest, and has now burst. The productive sector is already affected, with thousands of jobs being threatened, while there are already about three million workers unemployed. The government is cutting money for education and health services, and at the same time is giving away 150 billion Euros to the bankers. The demonstrators demanded that the bankers and the rich should pay for the capi-

### Bologna Process - a password for privatisation.

**According to Wikipedia the official purpose of the Bologna Process, an agreement which was signed in 1999 by Ministers of Education from 29 European countries, is to make academic degree standards more comparable and compatible throughout Europe, and to create a so called "European Higher Education Area". That sounds all very nice, but in fact the Bologna process involves handing over university education to big capital, and therefore it means squeezing out working class children and reshaping higher education as a service for a self-perpetuating elite. □**

talist crisis and one of the main slogans of was "el hijo del obrero a la Universidad" (working class students to university).

The Student Union made a conscious effort to link the movement of the students with that of the workers. This found its expression in trade union representatives and shop stewards addressing the different demonstrations. It also made a public appeal for trade unions to prepare a general strike to defend jobs and public services. This is quite contrary to the leadership of the main trade unions, UGT and CCOO, have already made statements to the effect that "we should all work together to overcome this crisis".

The second strike took place on November 13. The percentage of par-

ticipation in the strike was nearly the same as in the first strike, but this time the turnout for the demonstrations was even higher. Hundreds of thousands of students took part in more than 60 demonstrations across the country. The largest demonstration took place in Barcelona with 70,000 students and teachers, as in Catalonia the workers' unions USTEC and CGT also called a strike of the teachers in schools and colleges. Also the Bus Drivers' Strike Committee supported the students' strike, as the Students Union supported the bus drivers in a successful struggle earlier this year. In Madrid about 30,000 students participated and trade unionists from the health service, the water supply company and the University workers addressed the demonstrators.

### Germany

On 12 November, 100,000 school and university students in more than 40 cities all over Germany came out on to the streets to demonstrate against the advancing privatisation of schools and universities, and the continuous worsening of the education system. In many cities also teachers joined the protests. This turnout exceeded the expectations of the organisers, as in many cases the students had been intimidated beforehand.

Earlier in May and June this year 40,000 students went on strike. As a consequence of these strikes student committees in different cities and a nationwide students' action alliance was formed, which were in charge of planning and coordinating the strike actions. They were also seeking collaboration with trade unions, parties and different NGOs, many of whom declared their solidarity immediately.

The strikers demanded free education for all (no to university and school fees), for the taking on of enough teachers in order to lower the number of students per class, no to a mark for behaviour and "cooperation" during lessons in the school report, no to private sponsoring and no to privatisation of the education system.

The situation in some schools is already dreadful. In some cases students have to pay for the maintenance of the classroom and for the paint out



# european youth revolt

of their own pockets. Because of a shortage of teachers not only many lessons, but even whole school subjects, have had to be cancelled. The government is cutting millions of Euros from university funding and as a result some universities are on the verge of bankruptcy. In this environment it is not surprising that students and teachers have reached the limit of what they can take. In some cities the demonstrations had a very radical character, with students bursting through no-protest zones, occupying the schools, universities and local education authorities.

Just as we saw in Spain, many students have noticed how determined the German government is to cut spending on the education system, while at the same time it did not hesitate one moment to hand over 500 billion Euros of taxpayers' money to the banks. Many carried placards with slogans like "Education instead of banks" and "Billions for the banks, but education is axed".

## Italy

Also the right-wing government in Italy is attempting to cut state funding to education on an unprecedented scale. Starting at the end of October a massive students' and teachers' movement unfolded. Students have occupied universities in Bologna, Cagliari, Florence, Milan, Rome, Naples, Pisa, Lecce, Padua, Turin, etc. In many universities normal lessons have been suspended and instead students were discussing the details of the planned counter-reform in "outdoor lessons" and mass assemblies, which were also used to discuss how to strengthen the movement. Mass demonstrations have been staged in Parma, Genoa, Bologna, Naples, Rome, Milan, Pisa, Cosenza, Catanzaro, Siena, Turin, L'Aquila, Venice, Sassari and in many other cities. Also Primary and middle schools were in turmoil and high-school students were on the barricades, many of them occupied their schools.

The struggle quickly spread to other layers of society. On October 30th a national strike of the school staff was called and on November 14th it was the turn of university personnel. Both strikes were a huge success and connected with the students' mobilisations, becoming part of "The Wave" (l'Onda - official name of the students' movement) and pushing other layers of workers and youth into action. Students, teachers, researchers and other workers were all together participating in the mass assemblies. Trade unions were co-operating with committees of teachers and parents in the organisation of the protests against the government. In Rome alone we saw a demonstration with more than one million people.

The reason for this broad support of the movement and the general discontent is clear: the deterioration which is on the way will hit everybody. State universities are to be privatised by transforming them into private foundations. The plan is to reduce the number of workers employed in the state education system, raising the size of classes and reducing the number of lessons, thus lowering the quality of state education. The demonstrators understood the link between



these policies and the present crisis of capitalism. They wrote on their banners "We won't pay for your crisis."

## Wider Movement

The rest of the working class is on the barricades as well. On September 27, the largest trade union confederation, the CGIL (with 5,600,000 members), called for rallies, demonstrations and sit-ins in all the main cities against

the counter-reforms and the cuts being proposed by the Berlusconi government, namely against the weakening of the national collective wage bargaining system. On October 17, a coalition of minor left-wing trade unions organised a strike. The CGIL has been calling for a general strike on December 12: hundreds of thousands of workers and students were demonstrating in 100 different cities.

## Unite!

There has been a movement of students and young workers against the CPE in France in 2006. The CPE was a proposed law to rewrite the first employment contract, designed to casualise youth employment and put young workers at the bosses' mercy. Together with the movement which overrun Greece in December after the killing of a student (see pages 20-21), we could be witnessing here the beginning of a European-wide youth movement, not solely directed against deterioration in the education system. Many youth are now beginning to draw the necessary conclusions on how the capitalist system works: not for the millions who are willing to learn and educate themselves, but for the

profits of a few companies, which are trying to exploit every corner of society in their greed for money.

At the same we saw this year a vast number of strikes of workers in Greece, Italy, Germany, Spain, Belgium and other countries. All this is an indication of the deep malaise and discontent within society, and it will erupt as a new wave of class

struggle. What is required is to link the different struggles of the different layers in the different countries together. Last year we were celebrating the 40th anniversary of the 1968 movement, which was an inspiring example. But in the conditions of today, we could be facing in the not too distant future mobilisations of the youth and workers on a far vaster scale, on an all-European or even a world scale. □



# Greece

## Teenage uprising and general strike

by Editorial Board of 'Marxistiki Foni'

UK HEADLINES have been grabbed by the youth insurgency in Greece. As our sister journal points out, the real significance of developments in the country is the sympathy and support of the organised working class with the youth, taking the form of a solid general strike. The ND (Tory) government plan is to raise workers' contributions to the pension funds, to abolish tax exemption for the poorest self-employed, and part-privatise ports, schools and hospitals. This is an attack on all workers. Youth unemployment stands at 25%, the highest level in the EU. The killing of Alexandros Grigoropoulos by police has proved to be the trigger, pulling together the anger of the youth and solidarity from the working class into an explosive situation for greek capitalism.

On December 10th we witnessed a big general strike in Greece which expressed the strong support of the workers for the struggle of the school students and the widespread abhorrence at the government's police terrorism. The general strike was bigger than the previous one of October 21. This was reflected in a rally of 40,000 people in Athens' Syntagma Square, under the banner of two trade union federations with the participation of many school students. However, the KKE's (Communist Party) trade union front, PAME, organized a separate rally in Omonia Square with about 8,000 taking part. The livelier of the two rallies was the one in Syntagma Square organized by the unions, while the other was more of a party rally than an authentic rally of the workers and the youth.

The students set the tone in the Syntagma rally with their huge enthusiasm and fighting spirit. Unfortunately, the leaders of the GSEE federation lim-

ited themselves to giving three speeches that lasted 45 minutes in total, without announcing any programme of struggle for the immediate future. As a result the workers left the rally with the feeling that their leaders were pushing them to go home and leave the ground free for the police to attack and terrorize the students. In fact, just 30 minutes after the last trade union leader had finished speaking, the police attacked the students once more, but the students fought back with rocks and stones. The battle with the police continued until the late evening.

### First Political Conclusions

After days of struggle we can now start to draw some first clear conclusions. Without any doubt this movement deserves the title of "teenage uprising". We have here a new genera-



tion of tens of thousands of school students erupting in a huge explosion, the biggest for 20 years, if not even more, in Greece. We have clear symptoms of an instinctive revolutionary spirit, and a clear tendency to target not only the present bourgeois government but also the bourgeois state and the capitalist system as a whole.

This movement is the result not only of the criminal killing of a young school student - which was the trigger



of course but it is also the result of the big pressure the Greek bourgeois has been putting the working people under for some years, on the basis of the crisis of Greek and the international capitalism. Once again we see how the youth is moving as that sensitive barometer of society and is indicating that even bigger class battles are being prepared in the near future.

The massive participation of the youth and workers in these events together with a fighting spirit against the system is one side of the equation. The other side, however, is for the moment the complete absence of clear demands and of any serious

coordination. The Marxists are proposing the immediate coordination of the movement with the creation of elected student committees in every school which will send representatives to coordination committees at town and national level. These committees should then build a united front with the University students' movement and above all with the trade unions.

### Weakness

Apart from this weakness, the main problem that this movement is facing is the political attitude of the leaders of the workers' parties and of the trade unions. We already have pointed out that the trade union leaders do not want to do anything concrete to help the movement, apart from a few speeches at rallies. The reformist PASOK leadership completely abstained from the general strike.



**Synapsismos**

The leadership of Synapsismos ( a more left reformist party), on the other hand, is trying to invest politically in the movement, which is good, but from their behaviour it is clear that they do this mainly as a way of staying high in the opinion polls. This is explained by the fact that as the ND government becomes ever more unpopular, the majority of the workers are turning electorally to the PASOK, as the easiest road to remove the Karamanlis government. The leaders of Synapsismos in practice are taking no concrete initiatives that could give a clear political expression to the movement and also they do nothing to clearly separate themselves politically and organizationally from the anarchists and their counterproductive hooligan methods.

However, what is even more unacceptable is the attitude of the Stalinist leaders of the KKE. They have started a public conflict with the Synapsismos leadership by accusing them openly of "coordination with the lumpen and para-statal elements", which the reactionary pro-government mass media are exploiting in order to present the Left as a whole as simply fighting each other over who will take more votes among the leftward leaning voters. At the same time, the leaders of the KKE are not trying to deal with the real movement, preferring to call party rallies and demonstrations, separate from the rest of the working class and youth movement.

**Youth movement**

In spite of all this, for the moment, the youth movement continues to

grow. Objectively the struggle is a political one. This government must fall and this is the main task that the workers and the youth understand and accept massively, although their leaders are not giving a concrete political expression to the movement. As the movement continues to grow, centred on the schools and universities and with the active sympathy of the working class, the crisis of the government will become ever deeper.

In these conditions, what is required is to coordinate the mass movement and strengthen it, thereby putting pressure on the leaders of the Left parties and force them to take on their responsibilities. There is in fact a huge gap between the objective potential of the movement and the passive stance of the official leadership of the Left parties.

In the last analysis, the only way out of the present political impasse is through a generalized mobilization of the working class and youth for a genuine workers' government with a socialist programme. Only such a government could do justice to the present struggle and achieve a real victory. The task is to put an end to the present barbaric bourgeois power both politically and economically. This is the final solution that we must fight for within the working class movement and the Left.

Many workers and youth will be drawing important conclusions from the recent events. From these will come the forces to transform the mass organizations from their present state and turn them into genuine fighting parties of the working class. That is what the Greek Marxists are struggling to achieve. □

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## Iran's Labour Code amendments: a double whammy aimed at workers' livelihoods



THE LABOUR Code of the Islamic Republic of Iran was adopted on 20 November 1990, and although it is riddled with flaws and shortcomings, it has provided workers with a small measure of protection against bosses and government officials trying to maximise profits at workers' expense.

Now, in line with the government's privatisation and deregulation policies, two key sections of the Labour Code are to be amended. From the new year it will be easier to sack workers and to pay them starvation wages.

### Firing at will

Now the newly proposed article is going to make it much easier to sack workers.

Reza Shahabi, a member of the Vahed Bus Company Trade Union's Steering Committee, said in a recent interview that there will be no barrier to bosses sacking workers and it will cost them nothing. He added: "Of course, before this amendment the bosses didn't pay any attention to the Labour Code and used any method to sack workers." But "by adding article (g) to Section 21 of the Labour Code, the employers will be more confident in destroying workers' wages."

### Starvation wages

The regime is also trying to do away with the minimum wage. Section 41 sets out that: "The minimum wage of workers shall be fixed ... [according to] the rate of inflation announced by the Central Bank."

However, as the inflation rate used is that of the previous year the minimum wage has never been enough to live on. On top of that many workers know that Section 41 was never implemented fully and thousands of workers are owed money dating back to the 1980-88 Iran-Iraq war.

So in the new year the workers will face renewed attacks on their jobs and pay - and it will all be legal! Considering the general international situation, and the Iranian economy's deepening crisis, it is clear that a year of decisive battles awaits the Iranian working class. □

**Iranian Workers'  
Solidarity Network  
(IWSN)**

**BM IWSN, London  
WC1N 3XX, England**

[www.iwsn.org](http://www.iwsn.org)



### by Socialist Appeal PCS Activists

FOR THE past 4 years PCS members in the civil service have been in dispute over threats to their pensions, attacks on their sick leave, massive programmes of job cuts, privatisations and endemic low pay. Through united campaigning and strike action a number of concessions have been won. This is testament to members' willingness to fight back.

With a quarter of civil servants earning less than £16,000 a year and thousands on the minimum wage, the PCS National Executive Committee (NEC) stepped up its campaign on pay in 2008 and agreed a programme of action which included balloting members on a national strike. The demands of the pay campaign, involving nearly 300,000 civil servants were:

- Consolidated basic pay increases at least equal to the retail price index
- Remove pay progression costs from budgets for increases
- National pay bargaining - Fewer pay bargaining units
- Funding to remedy equal pay problems
- No link between pay and performance appraisal
- An end to pressure for regional rates of pay.

The massive support shown by members with the threat of a national strike on the 10th November forced the Government and the Treasury to agree to meaningful talks. A decision was made to suspend this action at the eleventh hour to allow a 28 day extension for talks to take place. The union acted in good faith and entered into further negotiations. This was a reasonable decision to take and Socialist Appeal supporters publicly defended the NEC's decision to suspend the industrial action to allow talks to proceed. Union members do not take strike action lightly and would expect the union to explore the possibility that something could be achieved in negotiations. The Government would not have offered talks if the strike was not seen as being strongly supported by members from across the whole civil service.

### Good Faith

Unfortunately, management have not acted in 'good faith' and have only given some pitiful concessions while PCS has given up a great deal. The outline of an agreement is set out in a letter sent to the union on 1st December from the Head of the Civil Service, Gus O'Donnell, who had previously urged members not to support the proposed national industrial action on pay. His letter sets out the key issues underlying a national pay agreement to which PCS has agreed. The letter states that the Cabinet Office are "prepared to consider some



# Balance sheet of the 2008 struggle

flexibility to recycle efficiency savings into pay. But this would be on an exceptional basis and would need to be decided case by case."

These 'recyclables' are a product of money savings that have been made from severe cuts in jobs. This has meant that staff in many cases are doing the work of two or even three people because of these losses. And we are told that management will only 'consider in exceptional circumstances' offering up some of this money into our pay! This means union members losing their jobs would be paying for any such pay increases. It is difficult to see how this could be defended by any trade union, let alone being advocated as a significant concession on the part of the Government, which is what the NEC and their cheerleaders are now doing. Indeed the Socialist Party, who have a significant presence on the NEC, have described the agreement as "material potential for improvements in pay".

## Significant Workplace Reform

The letter also outlines a number of criteria that any changes would have to support, including "significant workforce reform" and "modernising pay systems to improve support for good performance." Reforms or improvement to pay of staff will need to be "funded from within existing budget settlements and be consistent with the Government public pay policy." In effect Gus O'Donnell is saying there will be no more money and the divisive performance and bonus systems that PCS are vehemently opposed to will be retained. The letter states that "there is no 2% limit on public sector pay" which is being trumpeted by the NEC as a significant concession on the Government's part but, as the letter also states, this is merely repeating what Ministers have already said. Other public sector unions have broken this 2% limit by taking an uncompromising attitude, so it is difficult to see what has been achieved here.

## Imposed Settlement

Importantly, the letter also states that management will "seek to resolve existing pay disputes, without reopening any agreed or imposed existing pay settlements." In itself that hardly commits management to anything, but it does clearly exclude reopening any imposed pay settlements. The largest department in the civil service, the Department of Work and Pensions (DWP), is currently in the first year of a three year pay settlement. This was imposed by management after PCS rejected it as wholly inadequate. Where does the national pay agreement leave thousands of PCS members in the DWP?

Other members will be rightly asking of the agreement - is that it? Have we been in dispute for this time to get



some very minor concessions and a huge 'leap of faith' that management will act in a genuine manner on further talks! For, while a national agreement on pay has been reached, other than the Gus O'Donnell letter there are no other details about this agreement and further talks are being held. The lack of detail is indicative of some confusion on the part of the NEC about exactly what has been agreed. This was reflected at the recent conference of Left Unity, the PCS Socialist caucus which has an overall majority on the NEC. The Socialist Party proposed a motion at the conference which endorsed the NEC's decision and welcomed "the national agreement on pay" while maintaining that "PCS remains in dispute with the employer". How one can reach agreement with an employer while still being in dispute was not explained either in the motion or at the conference.

## Left Unity Conference

At the Left Unity Conference, some NEC members expressed doubts whether union members would actually take strike action in the current economic climate. Here, we see the explanation for the decision taken by the NEC - a lack of confidence in PCS members. Members have voted in ballot after ballot for strike action but this is not good enough for the NEC. The motion welcoming the deal was narrowly passed by the conference, while a motion reiterating PCS policy on pay prior to the agreement was opposed by the Socialist Party and narrowly defeated. The Socialist Party was isolated on both votes, voting alone, but had the majority on both votes - clearly they had mobilised their membership for the conference. Other left groups at the conference, including Socialist Appeal supporters, voted against the pay agreement and against the Socialist Party line.

Activists should insist that the national pay agreement be put to the membership for agreement or rejection, rather than leaving the NEC to decide behind closed doors. The most democratic way to do this would be for PCS National Conference to be recalled, with meetings held in every workplace beforehand to mandate branch delegates, so members can decide for themselves what this agreement means. Socialist Appeal are confident that given a proper debate, members will reject this agreement. □



# Unite-Amicus elections

## Support Jerry Hicks!

**JERRY HICKS is standing for general secretary of the Amicus section of Unite. Socialist Appeal supports Jerry's campaign.**

**Jerry stands for:**

- **The election of all officers**
- **The pledges that, if elected, he will draw only an average skilled member's wage**
- **Independent combine committees and lay democracy in negotiations**
- **The repeal of all anti-union legislation, including the right to reinstatement after a tribunal victory**
- **State pensions linked to earnings**
- **Public ownership, against the privatisation of jobs**
- **A programme of building affordable council housing**

THE BACKGROUND to the election was dealt with in more detail in last month's issue (*Unite-Amicus elections: where we stand*). Here we interview Jerry on the major issues facing his campaign and the future of the Union. We intend to cover other issues as long as the campaign goes on.

### **What kind of response have you received so far to your campaign?**

If we look at the time I launched my challenge, though it would not be true to say I was in a minority of one, it was near to it. We were derided from all sides as having no chance. Since then we have received 48 branch nominations from as far afield as the Shetlands to the Isle of Wight, and from Wales and Ireland. Not only have we received support from all points of the compass but also from every sector the union represents. I come from the engineering sector, and you might reasonably think I would get most support from that sector, but the support I have received has

been truly wide and diverse.

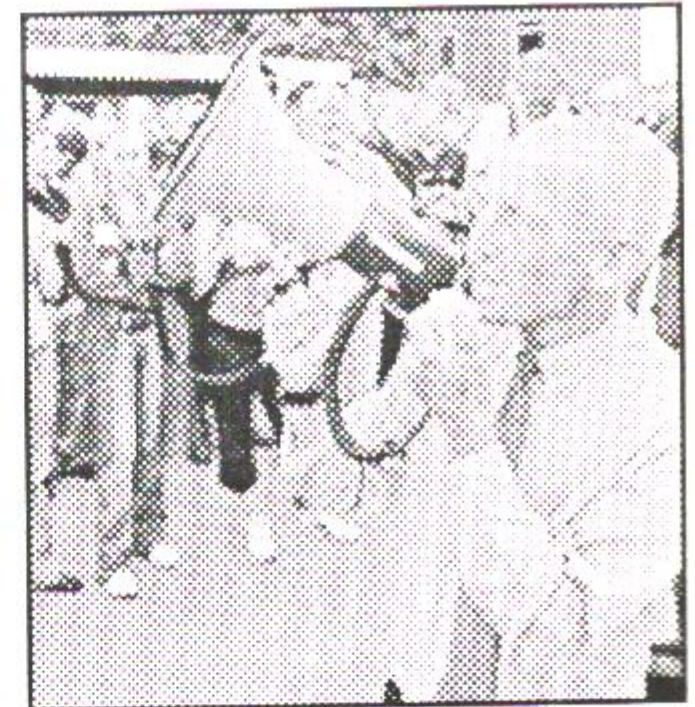
Within the last 48 hours alone I have had backing from the financial sector in London, from a Swansea branch and from 4 workplaces in different sectors. I have been overwhelmed by the people who support me and people who are prepared to actively work for me.

### **You decided to launch a legal challenge against Derek Simpson staying on in office without an election. What were your reasons for doing this?**

The reasons I mounted the challenge to Derek Simpson are simple and straightforward:

It is quite simply wrong that General Secretary Derek Simpson should go for 8 years without facing an election. I believe it is also illegal.

It was my overriding belief that it was necessary to correct this wrongdoing. He (Derek Simpson) knew that it was unlawful because he himself challenged Sir Ken Jackson's right to remain in position without



holding an election in 2002 using the Certification Officer. It was my overriding belief that it was necessary to correct this wrongdoing, and I have received widespread support for my actions. It is just wrong that the highest authority in the Union, the joint General Secretary Derek Simpson and the legal advisers, have no problem with a rule that is unlawful.

People will say that a majority voted for the merger which has been set back by my successful challenge. That is true, but 83% have never voted for Derek Simpson.

### **One of the criticisms levelled against you is that you were willing to use Tory legislation to do this. What is your response to this criticism?**

I'll reply loud and clear on that for all who want to listen. The laws (empowering the government appointed Certification Officer to decide on the interpretation of the union rulebook) are not 'Tory anti-union laws'. After all haven't we had 3 terms of Labour government over the past 11 years, and that position and that legal power have stayed on the statute book? As a matter of fact I have been told it was Harold Wilson who first brought in the post of

Certification Officer. Why has the law not been repealed if it is such a problem? Why have the union leaders not been campaigning against it?

### **The Amicus Gazette officially backed Lawrence Faircloth. How do you think this reflects on the Gazette? What would you say was the overall health of this 'broad left'?**

I have been most saddened by the attitude of the Gazette (long regarded as the 'broad left' within the Amicus section of Unite). Lawrence Faircloth who has been endorsed by the Gazette as their candidate, (formerly part of the Sir Ken Jackson regime) had never even been to a Gazette meeting in fact he only attended his first Gazette meeting in order to be selected!

Prior to that even taking place on the 9th of October when nominations for general secretary opened he was already openly looking to get the 'nod'. On the 19th of October the North West region endorsed Lawrence as their candidate and importantly, they have a policy of mandating their delegates. On the 1st of November, Faircloth was duly endorsed at a 'selection' Gazette meeting which was held in Preston, the heart of the North West



## SOCIALISM

Hicks: not afraid of the 'S' word

region. In my view this was a foregone conclusion, at a meeting where the majority of minds were already made up. As regards Lawrence Faircloth I have no axe to grind. I have been told he is a hardworking regional official. On his salary I would hope for the membership's sake he and all the officials are hardworking. They say he's a nice man but nice is a fit description for biscuits, not prospective general secretaries. Lawrence Faircloth has never been at Gazette meetings and in fact attended his first Gazette meeting in order to be selected!

I believe those who currently support the Gazette have made a whole series of errors of judgement and they selected the wrong candidate. They have lost support as a result. My campaign has got considerable support from many Gazette supporters. There is a greater broad left in the union than just the Gazette supporters. I am standing unashamedly on a left platform. I have attracted many people who are new to activity in the union as well as those who have drifted away from the Gazette and from active involvement in union politics over the years.

**It has been said that you have previously had very little involvement locally or nationally in the Gazette. How do you respond to this criticism?**

My history in the union

is well documented. I have been actively involved in the left of the union and with the Gazette for more than 20 years. Of course I haven't attended all the meetings but the shop stewards' committee at Rolls Royce (where Jerry worked till he was victimised 3 years ago) had a standing order to the Gazette, which represented both political support and financial assistance. When Derek Simpson was campaigning against Sir Ken Jackson for general secretary, I took days of holiday in order to support his campaign. In fact Derek Simpson spent 2 nights under my roof as part of his campaign, travelling round with my help to get support. I have stood as Gazette candidate for the NEC of Amicus, incidentally polling the highest vote.

**If the Gazette had held a democratic selection and chosen an alternative candidate with a proven left record would you have continued to stand as an independent left?**

The best answer I can give to that is that if for one moment I thought the 1st November Gazette was democratic, a meeting where delegates were able to make a choice based on

a candidate's politics, their own past record, policies, and presentation I would have been there. So in that case, if not selected myself, then I would have supported the successful candidate and campaigned for them.

**What sort of local organisation have you been able to build throughout the course of your campaign? What sort of input do your supporters have to your programme?**

To add to what I said earlier (in answer to the first question) the campaign is already much more than local. It has become a national campaign. I have addressed 26 branch and workplace meetings where I always say our campaign is about being inclusive. Anyone can make a contribution if they agree with the basic principles. For instance I've been involved in the fight at the Staythorpe Gas Fired Power Station (where the bosses were breaking agreements and the Union under Simpson was reluctant to get involved). They have sent me material on their struggle that I have included in my election materials. There is stuff on our website from people I've met on the campaign.

(<http://jerryhicks.wordpress.com>) Supporters in all sectors will be invited to contribute to future election materials.

**There are those who argue that trade unions shouldn't get involved in politics, that they should simply 'represent their members'. What would you say to this?**

Those that argue that could not be more wrong. The link between workers, unions and politics are inextricable. I have said this loud and clear to all those who listen to me. If the trade unions just represent workers at the workplace they will die, they will wither on the vine and die. The anti-trade union legislation is intended to shackle trade union activity on the shop floor. The only way to repeal those laws is through unions' involvement in politics. Workers rights, trade union freedoms, decent state pensions, pay and conditions, public ownership of utilities is the way forward especially now during the chaos that the free market has created, our arguments have never made more sense. The last thing I'd like to say on this is I'm not afraid of the 'S' word - socialism. □

## 50th Anniversary of the Cuban Revolution

### Special feature in the next issue of Socialist Appeal





# Victory on working time

By Fred McDowell

A VOTE in the European Parliament could signal an end to the British opt-out from the Working Time Directive. On December 17th they voted by 421 to 273 to end it. Of particular significance was the vote of British Labour MEPs (by 13 to 6 against) to kill it. This is in sharp contrast to the determination of New Labour in Whitehall to keep the opt-out - at the expense of the British working class. The resoluteness of our MEPs, in behaving like real Labour representatives, has rightly been described as an "embarrassment" to the UK government. They have actually voted in favour of a Labour Party Conference decision, unlike our New Labour government who are determined to wreck it.

To sum up: New Labour was determined to keep the opt-out, which enables workers in Britain to put in more than 48 hours a week. The decision is supposed to be voluntary, but workers are often coerced. There are actually three million British workers who have 'chosen' to work more than 48 hours.

The Working Time Directive was originally seen as a health and safety measure. The whole point about health and safety is that you can't opt out. The rules have to cover everyone. It is a proven fact that accidents at work happen when workers are tired.

Productivity also falls off as the working day lengthens and concentration sags. Long hours working is a product of poor management and a determination to increase output through super-exploiting the workforce rather than investing in new technology.

## Job destroying?

How on earth can New Labour and the Tories argue that implementing the Directive is a 'job destroying' measure when we see unemployment soaring and jobs being destroyed by the crisis of capitalism? The labour movement has been campaigning for an eight hour day since the nineteenth century. Why is 48 hours not enough in the twenty-first century?

The retention of the opt-out is

actually part of a squalid backroom deal. New Labour grudgingly implemented the Agency Workers Directive, determined to give it the narrowest reading possible in Britain. In return Britain was to retain the opt-out on working time.

In fact British lobbying brought a significant weakening to the Working Time Directive for workers in the rest of Europe, increasing the possible hours a week for European workers to 63. It is shameful that extreme right wing anti-working class measures for the EU are lobbied for behind the scenes by New Labour.

## CBI

The CBI and the bosses are crying that the terms of the agreement have been broken. We don't care. Nobody asked the working class about the deal. Now New Labour threatens to return to the back rooms of Brussels in order to stitch up some rotten deal to maintain the opt out and help the bosses out at the expense of the workers. Don't let them get away with it. □

## Government promises 7,000 apprenticeships for construction

By Steve Kelly, London Construction, Unite

THE GOVERNMENT has announced that it hopes to introduce 7,000 apprenticeships for the construction industry. That sounds great, but there could be many pitfalls, such as school leavers being used as cheap labour by unscrupulous employers. I was an apprentice electrician myself, having left school at 16 in 1983.

### Apprentices Abused

I was fortunate to be employed by a large firm under a properly run scheme controlled by the JIB, a recognised industry organisation. I did see some apprentices abused and given all the crap jobs to do - making tea, sweeping up, and generally used as a dogsbody. Construction unions must get involved in these new apprenticeships which are being planned, carefully monitoring the schemes and ensuring as top priority first class health and safety for youngsters in the lethal workplaces that exists on many building sites.

There is massive potential for young new recruits to

get involved in unions and plenty of opportunity to educate and organise elected stewards and safety reps, which are vital on all building sites. The youth of today are the future of our society and our workplaces. It has often been said by older site workers "would you want your children working on a building site?" Well we need more construction workers and apprenticeships have been a thing of the past in recent years. So yes, if training is carried out properly with attractive pay rates and decent conditions, then I would encourage youngsters to get a trade and join a union at an early age.

### Numerous Sackings

Despite the struggles and numerous sackings I experienced in 20 years on sites, I can look back and will always remember the togetherness and comradeship in the freezing cold and the rain, heads held high knowing that we had won another victory over our gaffers. We stood shoulder to shoulder and united we always came out on top. □



# Keep it up!

by Steve Jones

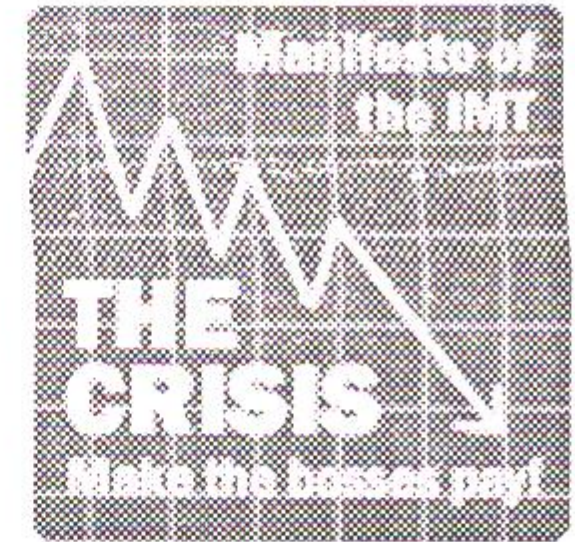
We are almost half way to reaching our £6,000 target on the Xmas fighting fund appeal. This, of course, means we still have some way to go if we are to hit the target by January 31st. Already we have had donations both big and small from a number of our readers and sellers - thanks to you all. But many have yet to donate. So the potential is certainly there to meet the £6,000 figure if everybody chips in. Even small donations can have an effect when they are joined together - just like the class struggle in fact. For example, if 50 comrades donated £20 each then we would have £1000 towards the final amount. So please consider what you could donate. There has never been a more important time for the voice of socialism to be heard but we

need your help. This money will be used to develop the resources of Socialist Appeal during the coming months. Only the ideas of Marxism can both explain the reasons for the current crisis of capitalism and provide a programme which will provide a way forward for the labour movement.

Donations can be made online by going to [www.wellred.marxist.com](http://www.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, Poplar, London, E14 6WG. So why not make that investment in socialism and send us what you can without delay - be it £1, £20 or £200. It all counts. □

## IMT manifesto

THE CRISIS capitalism has entered globally is having a deep impact on the real living conditions of billions of workers all over the world. With this comes a growing consciousness among ordinary working people and youth that something is seriously wrong with this system, that this cannot be the way human beings have to live. Workers are looking for an explanation and proposals of how to get out of this mess



This Manifesto, produced by Marxists internationally, outlines the causes of the present economic crisis and puts forward a programme of action for the international labour movement. A programme to combat unemployment and defend living standards, but also specific demands to defend the organisations of the working class and the youth as they come under attack from the bosses in a moment of crisis. □

**£1.50 in p+p from**  
**[wellred.marxist.com](http://wellred.marxist.com)**

## 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

## Stop Israel's massacre in Gaza!

by Walter Leon

TWO YEARS after the Israeli 'Defence' Forces indiscriminately slaughtered over a thousand Lebanese civilians, Israel has turned its attention to Gaza. Nearly 300 Palestinians have been killed, including numerous women and children. Israel's targets have included police stations, the headquarters of a Hamas-owned satellite television channel, and the Islamic University, Gaza's only higher education institution. According to witnesses, hospitals are overwhelmed with the injured and the bodies of the dead are piling up in the morgues.

Even before the recent ceasefire between Israel and Hamas collapsed, Israel had instigated a crippling blockade of Gaza that had starved its people of food, fuel and even medical supplies.

Nor should Israel alone be held responsible. Egypt has consistently participated in the blockade of Gaza. In fact, the US-backed Egyptian and Saudi regimes are hoping Israel succeeds in destroying the Hamas government and replacing it with something more pliant.

Of course, the pusillanimous collaboration by the Arab states has not been matched by its people. Egypt, Lebanon, Syria, Libya, Iraq and Jordan have seen large rallies in support of the Palestinians. Even in Israel itself, a rally of over a thousand people assembled spontaneously in Tel-Aviv. A demonstration also took place in London outside the Israeli embassy.

### Futile

Unfortunately, the 'resistance' strategy of Hamas is based on futile terrorist attacks on Israeli civilian targets, firing hundreds of homemade rockets at the Israeli border town of Sderot. These militarily ineffectual strikes only serve to harden Israeli public opinion, particularly amongst the poor workers of Sderot, who should be the Palestinians'

natural allies. Hamas is primarily interested in maintaining power over its own stretch of territory. The terrorist attacks on Israel are aimed at strengthening its position at the negotiating table; Hamas has already shown its willingness to accede to Israel's demands (e.g. by aiding Egypt in preventing Palestinians from entering Egypt via Gaza), but it will drive a harder bargain than Fatah.

If Hamas were serious about organising a resistance against Israel's occupation, it would instead base its strategy on arming the Palestinian masses, organising regional defence committees, democratically controlled by the workers, peasants and refugees. Such a mass force, conducting a guerrilla campaign, would be a formidable foe for the Israeli occupation forces. But it would threaten the power of Hamas.

The Israeli labour movement must refuse to cooperate with the 'war effort', calling strikes amongst workers involved in the handling of military supplies, and, if necessary, a general strike. The workers and poor of Israel are the natural allies of the Palestinian masses of Gaza and elsewhere. For them, this war will mean more curtailing of civil liberties by the state, more cuts in public spending, and more threats of terrorism.

We demand:

- An immediate end to the slaughter by the Israeli military against the population of Gaza
- An immediate lifting of the crippling economic blockade, to allow free movement of goods and people in and out of Gaza
- An end to the futile terrorist attacks on the civilian population of Sderot; the leadership of the resistance must arm the Palestinian masses and organise regional defence committees in every city, town and village
- Support for the suffering masses of Gaza by the Israeli labour movement – no co-operation with the Israeli war machine
- For a socialist Federation of the Middle East. □

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