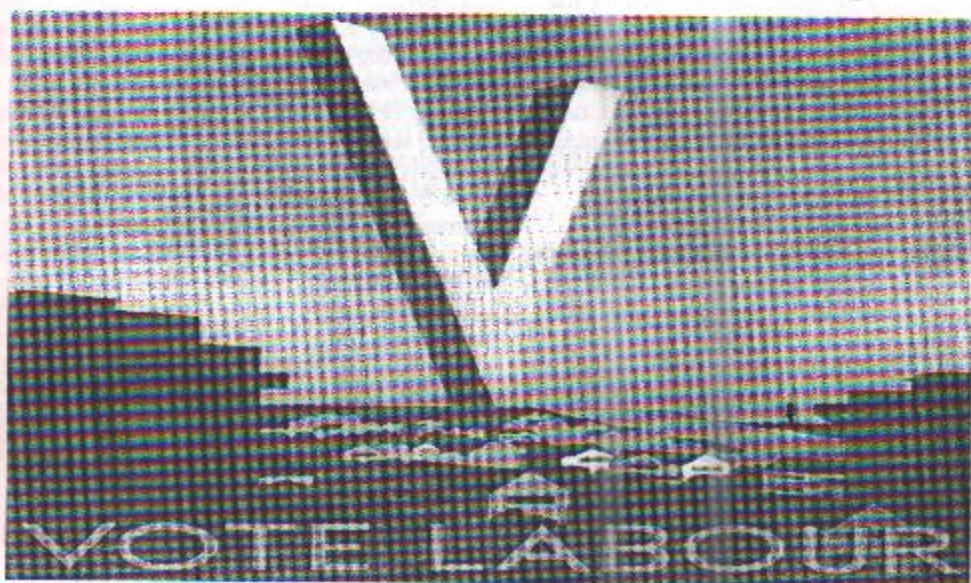


## Inside

- ☆ Election '97
- ☆ Tories record
- ☆ Sleaze
- ☆ Labour's alternative
- ☆ Northern Ireland
- ☆ USA reports
- ☆ Lenin interview
- ☆ Death of Deng

# socialist appeal

*The Marxist voice of the labour movement*



BIT

**Major:  
time  
to go!**

Issue 49 March 1997 price: one pound



# Major: time to go

The general election is now only a few weeks away. The election of a Labour government for the first time in nearly a quarter of a century will mark a real turning point in British politics. It will act as a catalyst for all the accumulated tensions and pressures of the last two decades. People are looking for solutions to their problems and they expect Labour to deliver them.

Since the Tories came to power they have wreaked havoc on the British economy. Between 1979 and 1981 around a quarter of manufacturing industry in Britain was slaughtered. For a brief time the Tories even told us that we could live without manufacturing, we could build prosperity on finance, on services and on tourism. Of course, everyone soon saw through that one. Then we were told we had to be flexible. We had to compete, not with our wealthier neighbours like Germany and France, but with economies like Taiwan and Korea. All this has left us as the longest and hardest worked, lowest paid, least holidayed work-

force in Europe. Alongside all this the Tories have sustained a vicious attack on our right to organise effectively in the workplace. A string of anti-union legislation has curbed many of our rights to fight and maintain reasonable pay and conditions and defend ourselves from the excesses of the latest management offensive.

The history of the Tories years in power is also the history of the privatisation of virtually everything that moved. BT, gas, electricity, coal - the list is almost endless. And then we have the creeping privatisation of CCT in local authorities and the "market" reforms in the health service.

## Unemployment

The Tories have presided over the return of mass unemployment and homelessness, and the sickening rise of crime, drug abuse, alcoholism and general despair.

This is what the Tories call "the enterprise capital of Europe." They claim faster growth rates, lower unemployment and better economic prospects than mainland Europe. They have shamelessly tried to rekindle the so-called "feelgood" factor. But the reality cannot be hidden. There are 1 million fewer jobs today than when Major took office, decreasing from 26.175 million to 25.178 million. Since the 1992 election 40% of the workforce have experienced redundancy or had to change job.

While they claim a drop in unemployment to 1.8 million in the run up to the election, the Labour Force Survey's recent report shows that 3.13 million people want a job and

were ready to start one immediately. That would mean an unemployment rate of 11.2%, pretty similar to our much derided European "competitors." In fact, according to the TUC, if the unemployment figures included all those looking for work within the last four weeks, then Britain's unemployment rate would be higher than that of France and Germany. In Britain two million are not counted in the official figures, in Germany 850,000 and in France 340,000.

The main thrust of Tory policy has been towards an enormous shift of wealth and resources from the working class to big business. In this way they hoped to solve the economic crisis in their favour. This is why Britain is now held up as a model by some sections of international capital. Why country after country is urged to privatise, to introduce "flexibility," to reform their labour laws and, generally, to introduce "sound" fiscal policies and austerity measures. The Tories have given us austerity for the last eighteen years and now they are being congratulated by their big business friends worldwide.

So this is not just another election. It is far more important than that. The Tories brought to an end the so-called post war consensus. Now we face a future where nothing is certain, insecurity reigns and pressure in the workplace has mounted to an intolerable level. We are a nation on edge. And something must eventually break. Below the surface an explosive situation has developed. No one has escaped the wrath of Tory dogma and the offensive of big business to roll back all the gains of a

civilised and humane society. This is why they face oblivion at the polls. They are rightly the most hated government in modern history.

So Labour looks set to win. And what a sweet victory it will be. But after the celebrations are over we will all want to see some results. Tony Blair and his team have tried to play safe and promise very little. Although that *little* must seem like a new world compared to the last eighteen years. More important than what they have said is what they haven't. No figure for the minimum wage leaves it open for debate when they take office. Blair's rhetoric, too, says nothing but promises everything. When he talks about preparing this country for the next century people do not expect that to mean crumbling schools and torn text books.

## Historic

This is an historic opportunity to put forward a new agenda. How to guarantee a decent education for all, decent training and a decent job. How to guarantee a living wage for everyone. How to eradicate the insecurity that pervades the workplace and modern life generally. These are just some of the questions people want answered. We believe that they can be answered, but only on the basis of radical socialist policies. We do not accept the strictures of Tory economic ideology. The money is there to invest in society, in health, in education, in industry. It's just in the wrong hands. Last year wages rose 4%, but profits rose 10.8% and dividend payouts a staggering 25%.

We need a Labour government. But we need a Labour government that is prepared to tackle the real problems in society head on. And that means a Labour government committed to socialist policies.

When Thatcher came to power she boasted that she would bury socialism. A Labour victory will put the struggle for a socialist programme right back on the agenda.

In that struggle the ideas of Marxism will play a pivotal role.

Editorial





# Tories relentless attack on our rights

The sight of Tory Home Secretary Michael Howard and Labour spokesman Jack Straw battling with each other over who is "strongest" on law and order has become sickeningly regular over the recent period. But they have plumbed new depths with the deal hatched to ensure passage of the Tories' Police Bill.

Howard's proposals in the bill, now amended by Straw, gives new legal powers to the state that would be totally unacceptable in virtually any other so-called "democratic" country. You might not notice it too much, because in reality the police have already been exercising these powers for a considerable time. What the bill gives them, is the green light to continue and go much further. In Britain today you can have your house broken into by the police or secret service, your telephone can be tapped, your room can be bugged, simply because a politician or senior policeman commands it. No legal warrant is required. The police can also hold you for up to seven days without a

warrant and then release you without explanation. And of course, as we all know, you can even be arrested for joining a peaceful demonstration. Previously the Tories have done away with our right to silence. The Americans have their fifth amendment, but if we refuse to comment a jury will be directed that this implies guilt. The government can also collect, hold and disseminate information about you, and you have absolutely no right to know what they are doing. Britain's criminal justice system and lack of civil liberties are the most draconian of any of the advanced "democracies." Some of the Tory measures would even put a military dictatorship to shame.

Although shrouded in talk about cracking down on crime, it does not take much imagination to see how all these measures will be used against activists in particular and the labour movement in general. It doesn't make us feel any better that Jack Straw's amendments mean that the police will not have the absolute power to bug and burgle - they will now need

to seek a warrant from a specially appointed commissioner, unless it is an "emergency." The big question Jack Straw can't answer is who decides what and when an "emergency" occurs? Of course if you do find your house broken into or your phone tapped, what do you do? - complain to, you guessed it, the specially appointed commissioner. Britain signed up to the European Convention on Human Rights in 1953, but now it has the unenviable position of having breached it more often than any other country. 43 times in the recent past, on issues like corporal punishment, detention of the mentally ill, immigration rules and interrogation techniques in Northern Ireland.

And there's more to come. The Social Security Administration (Fraud) Bill, currently going through parliament, will give the DSS powers to match its computer records with that of other government departments and local authority housing and council tax benefit offices. Leading legal expert, Lord Browne-Wilkinson commented, "the dossier of private information is the badge of the totalitarian state."

The Tories have attacked every right we once thought was ours; the right to a job, the right to a decent wage, the right to join a trade union, the right to strike. Now even some of the most basic individual rights are being thrown out. The sooner we get rid of the Tories the better. The election can't come one day too soon.

Alastair Wilson



Editorial	2
Ford bosses	4
Free at last	5
Lanarkshire	6
Labour's economics	8
Party democracy	10
Welfare	11
Fantasy fat cats	12
Tories record	15
Northern Ireland	18
Korea	20
Hungary	22
Lenin	26
Labour history	28

## Socialist Appeal

PO Box 2626  
London N1 7SQ  
tel 0171 251 1094  
fax 0171 251 1095  
e-mail:  
100723.2363@compuserve.com

editor: Alan Woods  
business manager: Steve Jones



# Ford bosses minds sharpened

The Ford motor company has decided to reverse its previous decision to, in effect, run down its operations at Halewood.

A strike threatened production at Ford's 20 British plants when news broke in January to axe 1,300 jobs at its Halewood plant on Merseyside. Workers were told that work on the new Escort would be transferred to Spain and Germany, resulting in the redundancies and the introduction of a single-shift for those who remained.

The firm's decision was met with outrage. 1,000 angry Ford workers lobbied the negotiations with the company in London. Mass meetings were called to endorse a strike ballot. Transport Worker's union national secretary Tony Woodley stated that the company had singled out British workers for redundancies in the knowledge that it is easier to "hire and fire" at will here.

According to the unions, the bosses had a far longer-term strategy of closing down Ford's British operations by stealth, starting by "starving Halewood to death." By ending volume car production at the plant, the firm's cost structure throughout Britain would have been adversely affected. Press reports revealed that the firm was actually shopping around Europe to get the best deal from government aid, while the Halewood workers were left to hang out to dry. There was, for instance, £28 million in the offing from the German government. However, the fear of strike action by the firm's 30,000 British workers "sharpened the minds" of the bosses, Ford European chairman Jac Nasser admitted after the deal was struck.

The agreement reached by unions and management, and agreed by the workforce, secures production at the Halewood plant until 2005.

If the sales of the new Escort-based multi-activity vehicle fail to materialise, Ford pledged to move an alternative to Halewood.

Union convenor Steve Turner at the Dagenham plant, said: "We are delighted that worker power has forced a change of heart at Ford, we all agree with this. It was a job well done. Workers were united in thinking that they'd be next for the chop if the jobs were axed in Halewood."

According to Jac Nasser, "The agreement we have had with the unions is good for Britain, good for Ford and good for the workforce."

However, the deal is still conditional on "further productivity and performance improvements" and massive government aid to the tune of \$70 million. 980 jobs will still go through voluntary redundancy, instead of the original 1,300. Still a bitter blow in an area blighted by mass unemployment. We will carry more analysis of the deal in a future edition.



# "Benefits service is dead!"

On Friday 15th November 1996, Peter Lilley imposed a report upon the DSS proposing to close 14 of the 32 local Benefits Agency offices throughout Wales. Why, after an announcement by the Welsh Benefits Agency management that "service to the customer" is already dead, do they now propose to sell off what's left and be done with it?

By April 1998, all 39 public caller offices will be closed, resulting in the loss of 715 trade union members jobs, and a serious reduction in public service.

The remaining offices will be fitted with intercom systems,

only allowing the public in by appointment. Three "Telephone Call Centres" will be established for the whole of Wales, centralising, and dehumanising the whole Benefits service. The fact that over 200,000 benefit claiming households don't have a telephone of their own suggests a well and truly dead and buried "customer service."

The whole proposition is obviously a ploy to promote cheap administration, at the cost of the public's interest. Despite the fact that there is already over £200 million of unclaimed benefit, the Welsh Management Board euphemistically aims to achieve a "positive financial turn over cost." What realisti-

cally will occur is a privatisation of the Benefits Agency, with the introduction of "Partnerships" with outside agencies.

Wales is being used, almost as a trial ground for propositions made throughout Britain involving the shutdown of hundreds of offices in the next few years, leaving the three shortlisted private sector bidders standing to take millions of pounds in profit as they buy up the property. The whole project is part of a government plan to slash administration costs by 25%, which they have the audacity to try firstly in Wales; the campaign to prove they can't has begun.

Peter Hain, Labour MP for

Neath, appealed directly in a debate in the House of Commons to try and persuade Ian Watson, the Area Director responsible for these closures, to stop doing the Tories bidding. Union members in a number of offices in South and West Wales walked out when told they would be closing. Local authorities and MPs, welfare rights groups and trades councils, are all joining a concerned public in opposition to these proposals.

Signatures are currently being collected on petitions, marches, rallies and demonstrations are being organised in towns all over Wales. Swansea Young Labour is joining with CPSA and PTC members to make known the public dissatisfaction and outrage felt by so many.

It now remains to be seen if, and for how long the management and bureaucracy can continue to ignore the resounding public response to yet another oppressive proposition, and continue on regardless.

Helen Ash  
Swansea Young Labour



## Statistics and Lies

The Tories continue to prattle on about the fall in the unemployment figures but maybe they should be more careful with their words. The figure they use are in fact the number of recognised unemployed claimants. To be counted on this list is now more difficult than winning the lottery. Whereas the level of claimants has dropped from 2.3 million in January 1996 to the seasonal adjusted (i.e. cooked) figure of 1.8 million now, the official figure of those without work who want a job and are prepared to start within 2 weeks remains at the much higher figure of 3.1 million. To this can be added a further million who in reality are unemployed and want a job but for various reasons are not classified as such. So the job seekers allowance scheme has just succeeded in forcing another load of people off the official figures. Out of sight...

## Ship ahoy!

So the Tories are proposing to fork out £60 million quid on a new version of the royal yacht Britannia has aroused more than a little criticism. At a time when the Tories are dead keen to cut public expenditure and privatise anything that moves, they have shown themselves in this instance more than willing to keep the Royal family and its assets firmly nationalised and well funded. The fact that the current version of this overpriced pleasure boat is virtually never used has been seen to be of no account to Mr. Portillo and co. Hospitals, schools, public services... what do they matter compared to the benefits we can all enjoy from the Britannia. Maybe we are supposed to hitch a lift on it when our bus routes are cut! Perhaps rather than wasting our time going to hospital to have illnesses treated we should pop down to the boat to make use of the marching band which is kept permanently on hand in case the Royals fancy not using their stereo.

Of course the Tories see the benefits of keeping the Royal Family up and running from the point of view of having them ready as a reserve weapon, a so-called independent arbiter, in the event of any crisis getting out of hand. Mind you, they would have a bit of a problem privatising the Royals. Perhaps Prince Philip could be sponsored by the RSPB, Princess Margaret by Marlboro, Fergie by a foot clinic, and so on.

# Free at last!

**Midlands journalist Raghbir Singh has been released after nearly two years in jail. He was arrested and held for over 20 months without charge after the Government ruled he was a "threat to national security."**

His release follows an extensive campaign by his union, the National Union of Journalists (NUJ), with demonstrations, pickets of Winson Green prison, and hundreds of letters of protest from trade unions, labour movement organisations and over a hundred Labour MPs.

The release of Sikh activist Karamjit Chohal from Bedford prison, held on similar grounds but freed after a European Court ruling that he was being held illegally, finally tipped the balance, and Raghbir was released. He has received no apology nor explanation from the Government.

In the NUJ's magazine, the Journalist, Raghbir has thanked the efforts of NUJ President Jeremy Dear who, with other Birmingham NUJ activists, spearheaded the campaign for his release.



## Midland car workers action

**Car workers in the Midlands are preparing for a new round of industrial militancy. Workers at the Peugeot Talbot factory in Coventry have rejected a two year pay deal which amounted to a 4.5% pay increase this year plus the rate of inflation with half a percent on top next year.**

The deal had been linked to 'greater flexibility' and was rejected by a mass meeting. The unions are now considering balloting for industrial action. Meanwhile wildcat strikes have taken place at Rover's Longbridge plant. 400 workers walked out in support of the paint shop section after attempts to impose a new shift system. Workers would have

lost £13 a week despite having to work two weeks of nights each month—currently they work 6 am - 2 pm and 2 pm - 10 pm on alternate weeks, with shift allowances.

The workers fear that the attempts to impose shift changes are in preparation for the new Rover/BMW plant being proposed for Hams Hall in North Warwickshire (see Socialist Appeal December 96 issue). The road system around the new plant could not take the extra traffic around current Rover shift patterns and rumours are circulating that part of the deal to allow the development to go ahead would see new shift patterns for Rover workers.



# Hull walkout

Privatised Hull based rail company, Regional Railways North East sacked RMT branch secretary Mike Smallwood. His workmates at the Hull depot staged an immediate walkout demanding his reinstatement.

Mike, with over 30 years service as a train driver, played a prominent role in the successful fight for a reduction in working hours at the company last year. His dismissal is clearly a case of victimisation. The level of intimidation at the Hull depot has been stepped up recently at the depot, including threats to close the whole place down.

As we go to press a ballot of all 500 staff of the company is being organised for industrial action in support of Mike.

# Poor kids on the block

Shocking new figures reveal that Glasgow is the poverty capital of Scotland with 84.5% of children in one district receiving a means-tested school clothing grant from the local authority.

School clothing grant cheques, given out to the poorest of families, currently stand at £50 a child. And the report does not take into account those families who would qualify but are too 'proud' to apply.

The report, compiled by Glasgow City Council, shows that of the city's 81,000 school children nearly 60% receive clothing grants, while in some 16 schools across the city, over 90% are in receipt.

No "feelgood factor" for the poor kids on the block!

# Lanarkshire: an industrial wasteland

The Tories boast about Britain being the "enterprise capital of Europe." Here, Ken McGuigan from Airdrie paints a very different picture: the real face of 1990s Britain.

With the workers of Lanarkshire still reeling from the wanton and vindictive destruction of the steel and coal industries, Marshall UK, Britain's third largest chicken processor, has announced that it will close

its Coatbridge plant in April with the loss of 782 jobs.

Unemployment locally runs at an average 17% and a recent Strathclyde University survey placed the Airdrie and Coatbridge district 187th out

of 189 in terms of quality of life in Britain.

Meanwhile a new report by Dr. Dorothy Moir, Lanarkshire's public health director, shows that premature death rates in the area are the highest in Scotland. Dr. Moir concludes that deprivation is the single highest factor and more must be done to eradicate poverty.

On broader terms, parts of Lanarkshire are gripped in drug-wars and gangland type shootings and assassinations. A situation unthinkable only a few short years ago. Despite the £260 million investment by Taiwanese firm, Chungwa, to produce television tubes at Mossend, bringing an estimated 3000 jobs by 1999, Lanarkshire remains an industrial wasteland.

The closure of Ravenscraig

and the 3090 direct redundancies began the terminal decline at a time when the area was struggling to come to terms with the demise of the coal industry. A further 2000 jobs were lost in Ravenscraig's suppliers and hundreds of jobs went in the local economy due to lost spending power.

Other severe blows in the last few years include Rolls Royce's decision to shut down its Aero Engine Design Unit in East Kilbride with 650 skilled workers losing their jobs. 700 highly skilled engineering jobs went at Cummins Diesel engine factory at Shotts and 180 jobs were lost when Tunnocks Bakery at Uddingston closed. The knock on social and financial effects have been devastating.

Even 'successful' inward investors like Motorola and National Semiconductor have not been renewing the contracts of hundreds of temporary staff due to a fall in demand for silicon chips. Significantly, Marshall's owner, millionaire Wilson Marshall donated thousands of pounds to the the Tory Party last year. A packer at the plant earns £135 a week! At the time of writing, TGWU officials are vowing to fight to save the plant and their jobs, but have at this time, ruled out any industrial action.





# Support Critchley workers

Members of the CWU are mobilising to defend 31 of their members who have been sacked by the management of Critchley Label Technology in the latest stage of a struggle over union recognition and redundancies.

The workers, who are 'hived off' former BT employees, first moved into dispute last October over 10 redundancies by starting an overtime ban. The impact of this led to management first withholding a

profit related bonus to the union members then removing union recognition altogether. Following the intensification of action by means of a series of one day strikes to be followed by a one-week strike starting on February 3rd, management dispatched a letter to all 31 union members at the Cardiff plant telling them that they would be sacked if they did not report to work at 9.00am on February 6th. The union voted to continue with the action and the sackings

were duly carried out. The 31 members have therefore become the first people to ever be sacked for taking industrial action in the history of the union and its predecessors. Even TUC head John Monks, in a rare visit (for him) to the picket line felt obliged to call this "The worst example of industrial relations in Wales."

Activists are calling for full support for the strikers and their struggle, both inside the union and also from the wider Labour and trade union movement. The numbers involved may seem to be small but the symbolic importance of this dispute will not be lost on both the management of BT and beyond—we also should recognise the importance of this fight and act accordingly. The fight for reinstatement and union recognition is our fight too.

Mary Hanson

# Solidarity

Tom Stott, the well known Rochdale trade union and Labour Party activist, has written a pamphlet which is a timely reminder of the strength and importance of the trade union base of the Labour Party.

The 75 page booklet proudly details a 12 year history (1984-96) of solidarity action and support which the Committee has engaged in. From the year long Miners strike through to the current Liverpool Dockers action, the pamphlet shows the drive and commitment that has been developed in support of workers in dispute with their bosses. I doubt that any area can boast such an excellent record.

One of the outstanding features of the work of solidarity has been its combination of political support through Labour Party, Labour Party Young Socialists and trade union branches, in resolutions etc. and practical money raising, petitioning, picketing, food parcels, social events, football matches and much else. This pamphlet is more than just a record of such work, it provides important political lessons of the key class battles of the last 12 years.

Practical solidarity during the miners strike of 1984-85 is described as follows on page 5: "During the 1984-85 strike by the NUM, the Rochdale Miners Solidarity Committee, under the auspices of the Party, raised over £23,000 for the miners in addition to the food parcels supplied weekly." In addition to this we can add: organising public meetings and a rally, a 600 strong demonstration through Rochdale, benefit gigs, picket line support as well as attending

national demos.

On the contents page we can see listed the struggles which were supported: Miners, 1984/5; Silentnight (1986—over £14,000 raised); Print workers; Colman dispute (1987 in Sale, Manchester), LP staff at Walworth Rd, P&O workers at Dover (1988); The Textile workers, Postal workers (both 1988); Ambulance workers (1989); TVAM sacked workers (1989-90); Pergamon Press Oxford (1990-91) and more, right up to the dockers today.

This represent an excellent record by the Rochdale Labour Party and trade union movement and the members of the solidarity committee. This book provides a handbook of how the movement should act at its best.

The forward, by Tony Benn, correctly says that the pamphlet and its contents should act as an inspiration to everybody and no one could disagree. Tom makes some important points about the TU/LP link, quoting from Michael Foot's piece in the 1983 LP manifesto. He more than answers the current leadership of New Labour in their obsession to deny the trade union and class basis of the Labour Party. This is a work that every Socialist Appeal reader should endeavour to buy and read.

"Solidarity. The role of the Rochdale Solidarity Committee"

By Tom Stott

Bryan Beckingham (Oldham LP)

## Doncatraz: prison capital of Britain

Recently in the media there has been much made about the crisis in the prison service. March is expected to see a situation where all the prisons will be full. Prisoners are going to be kept in police cells simply because there is nowhere else for them to go.

This reflects the madness of the Tory policy on crime and punishment where the only thing they can come up with is "lock 'em up." They are now angling for a version of the "three strikes and your out" policy favoured in the US, where anyone convicted for a third time automatically has to serve a long prison sentence. This has led to people being imprisoned for life simply for crimes as silly as stealing a pizza!

Needless to say the level of US crime remains as high as ever. The Tories simply are not interested in admitting that the high crime rate in Britain is linked to the growth of unemployment and poverty. As Thatcher said "there's no such thing as society."

After 18 years of Tory government we now have full prisons but not full employment. Doncaster, historically built around the coal industry now only has two working pits left.

Doncaster's only growth area (apart from signing on) is prisons. We now have so many prisons that people have suggested renaming the town as Doncatraz!

The town has no less than four \* prisons—one in the town centre and three on the outskirts. Recently the council applied to turn the old RAF base site into a commercial airport. This was turned down, mainly to avoid annoying Manchester so it seems, but there was some good news—yes, we can have prison number five!

Alan Capone



# Labour's economics: we need a real alternative!

On January 20th Gordon Brown, the shadow Chancellor, made an important declaration that, if Labour is elected, he will not raise the basic or top rate of income tax for five years. He also pledged to follow the government spending limits laid down by the Tories for at least two years. What would this mean for an incoming Labour government?

by Mick Brooks

Brown has walked straight into the trap set for him by the Tory Chancellor. Kenneth Clarke finds it 'incredible' that Brown will be able to carry out his promise. In other words he has deliberately set an impossible task for his like-

ly successor, knowing that the Tories are extremely unlikely to be re-elected. The Tories, despite their front as a hard-faced 'sound money' party, have run up whopping deficits in government spending. This year they will be spending £26.4 billion more than they get in. For every £100 people in this country earn, the government is running up a debt of £3.80. For years they have been chiselling away at the state's tax earning base by bribing people with their own money before elections in the form of income tax cuts. Income tax is now less than 10% of the total tax take. At the same time they bumped up VAT from 8% to 17.5% and spread it onto a wider range of goods - such as fuel. They

evidently believe workers are stupid and won't notice this assault on their living standards. So, despite the tax-cutting rhetoric, we pay a higher proportion of our income over in tax overall than we did in 1979 - 35.75% now as against 34.25% then. And the national debt has doubled since Major got in to office, now amounting to £600 per head of the population. Despite desperate attempts by the Tories to 'roll back the frontiers of the state,' government disposed of 42.25% of National Income this year - the same as in 1979. The reason is not hard to find. Mass unemployment means there are more people claiming benefits and less able to pay tax.

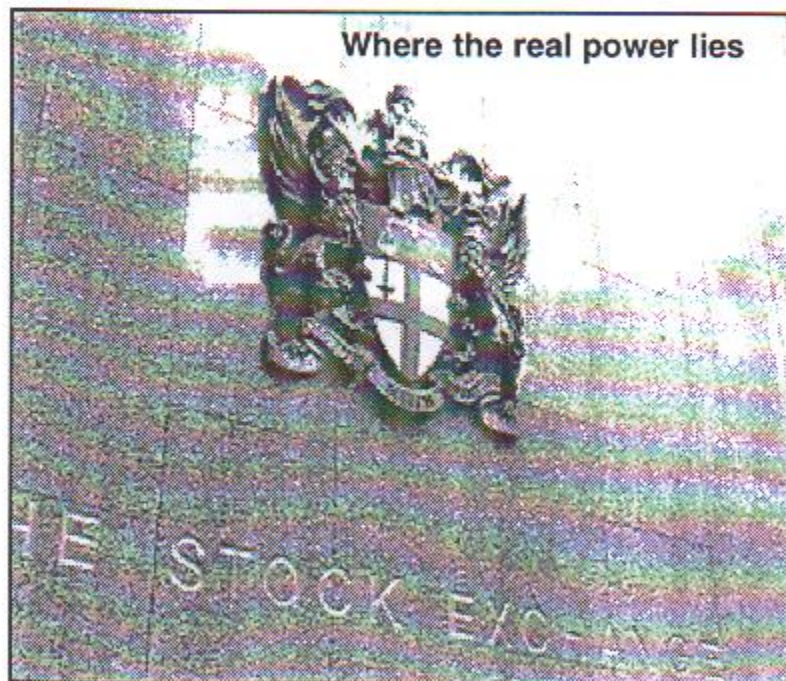
To square the circle of ballooning spending while deliberately shrinking the tax base, the Tories have resorted to expedients such as privatisation to cover those monster red ink areas. This is equivalent to 'selling off the family silver' for a night on the beer. But that cupboard is now pretty well bare. And the Tory spending limits are quite incredibly tight. For the next two years spending is to go up just 0.7% overall. For health it's 0.3% and for education it will go DOWN 9% in real terms. Yet for the past fifty years health spending has risen at 3.4% a year and education has gone up steadily by 2% per annum even under the Tories. Nor

is this allocation generous, as anyone who works in health or education or uses these services (and that's all of us) knows. On the contrary social services have survived in a continual state of crisis and penny-pinching on this drip feed of funds. Take health. Health care becomes more expensive to provide by the year as it becomes more high-tech. And as the population ages, more people are likely to fall ill. With a 3.4% annual top up we get scares about hospital closures every year as they run out of funds before the year's end. Workers are sick to the back teeth at this and turn to Labour as an alternative. Gordon Brown proposes to give the NHS an extra 0.15% a year. Gordon may think his pledge will go down well with the focus groups, but these people use these services as well.

## Worse

Actually the situation's worse than that. For health and education around 70% of costs are wages, and these have been set nationally by the 'independent' pay review boards. Awards of up to 3.25% are hardly generous - they just about allow staff to keep their heads above water by allowing for inflation. But paying workers more wages and not giving the health and education authorities the money to pay them the extra will force cuts in services. It is basic that the increases should be paid in full and funded in full, but Brown has pledged not to do it. What he HAS promised in effect is to cut education and health more viciously than the Tories have been able to get away with. And the NHS is the most popular thing ever achieved by a Labour government. And there's another reason why things are not looking so good. Gordon Brown seems to think the economy is going to keep toddling along at a growth rate of around 2% for the next

Where the real power lies





five years. No chance! The capitalist system is due to go into one of the nasty little downturns it's been having regularly for the best part of two hundred years - right in the middle of what's likely to be Labour's term of office. That'll really slam the brakes on, forcing a fiscal crisis as state spending soars on benefits just as less tax is coming in to the kitty.

The National Institute for Economic and Social Research reckons that, even without a recession, the 'structural' deficit means spending needs to be cut by around £14 billion. One way they could achieve that for instance would be by not spending a penny on education next year! Or on the other hand they could raise income tax by 8p in the £. That's what's needed to get the British economy back in the black!

Gordon says there need be no cuts in service - 'efficiency savings' can shift the money around to where it is most needed. In effect the approach of the Labour leaders is that there's nothing wrong with the Tories' objectives it's just that they're stupid and can't see the fivers laying at their feet. He must be kidding! The Tories have been on the rampage against 'public sector waste' for the past eighteen years. As the Economist remarks, "If there were soft options, you may be sure the Tories would have seized them already."

Another side to Tory policy over the past eighteen years, apart from slashing attacks on the wages and conditions of working people and their social services, has been to fill the boots of the rich. The result - the most unequal distribution of income and wealth in western Europe. According to the Central Statistical Office the richest 1% own ONE HUNDRED AND TWENTY NINE TIMES AS MUCH as the bottom half. The justification for this trend was 'trickle down' theory. By giving the rich an

'incentive' we'd all be better off. Well, it hasn't happened. Whereas the top 10% are 60% better off than in 1979, the poorest 10% are actually 20% worse off. The situation now is that the top quarter earn as much as the worst off three-quarters. Tax cuts for the wealthy have been a major lever for making the rich richer at the expense of the rest. In fact the tax system as a whole (given the drift to indirect taxes, which take a higher proportion from the poor than from the well-to-do) is actually regressive - it increases inequality. The Tories inherited a top rate of income tax of 83% in 1979 - and cut it down to 40%. Gordon Brown has pledged not to reverse this government-inspired shift of income to the rich. Why not?

### Tax

Nobody likes paying tax, but at least income tax gives the chance to make the rich pay. Indirect taxes such as VAT bear most heavily on the poor, who spend a higher proportion of what they get in. The last Labour government was elected in 1974 on the promise to secure 'a fundamental and irreversible shift of wealth and power in favour of working people and their families.' They didn't deliver, but the pledge did get votes.

A top rate of tax of just 60% on earnings over £40,000 a year would raise an extra £4.2 billion in tax. That could pay for a lot of schools and hospitals. The Tories looked after their own. Why shouldn't Labour do the same? Of course just taxing the rich will not be enough, the big banks and financial institutions need to be taken over and resources directed to where they're needed, not towards indecent shareholder dividend payouts. The recent Lloyds/TSB announcement of profits of £2.51 billion for the year shows starkly where the big money lies. Hearing news of Brown's



promise Will Hutton, editor of the 'Observer' and a prominent Blair supporter, said, "If we do believe it, it is the death of social-democracy in Britain." What he means is that his hopes of Blair and Brown providing an alternative to the policies of the Tories have been dashed. Commenting in the economics pages of the 'Guardian', Victor Keegan made the same point. "The Conservatives are still trailing heavily in the opinion polls but will win the general election... because they have won it already." The Tories are hated and discredited. Millions have had enough and are turning to Labour for change. So Labour has committed itself to continue Tory policies! Local authority services, health and education have all been in permanent crisis amidst the cutbacks of the past eighteen years.

### Reforms

So Gordon Brown offers us more of the same. Reforms to the health service, to our schools and to social welfare all have one thing in common. They cost money. Brown says he hasn't got any money - but we need change. But if he's looking for 'efficiency savings', Labour could tap the most precious unused resource we have - the millions of unemployed who want

work. Capitalism can't mobilise them. That would require a socialist plan of production. Banks and finance, along with the major monopolies need to be taken over and run under workers control and management as part of a democratic plan of production. The alternative is to accept capitalism, and that means running Tory policies. That is what Gordon Brown's declaration is all about. Tony Blair, interviewed in the 'Financial Times', declares, "I want a situation more like the Democrats and the Republicans in the US. People don't even question for a single moment that the Democrats are a pro-business party. They should not be asking the question about New Labour." And people don't question for a single moment that Democrat Clinton presides over mass unemployment and even claims as a campaign slogan 'the end of welfare as we know it', just like the most vicious and loony sections of the Tories here. Blair goes on, "New Labour is pro-business, pro-enterprise, and we believe there is nothing inconsistent between that and a decent and just society". Oh, but there is. The only decent and just society is a socialist society.



# Modernisers attack Party democracy

At a time when the whole movement is gearing up for the final push to get the Tories out of office, Labour and trade union activists will be greeting with a certain amount of anger the decision of the so-called "modernisers" around Tony Blair to attempt a further attack on Party democracy and its structures—action which will involve an even greater centralising of power inside the party.

Rather than concentrating on the job in hand the leadership have pushed through the NEC a new "consultation" document called "Labour into power" which is intended to be voted on at the next Labour Party conference. Given the fact that the rest of the movement will be involved in the election, possibly up to May, and also given the usual disruption of

the holiday period then it is clear that the period for the movement to actively debate these proposals will be very limited. You cannot help but wonder if this is intentional. Even the normally sympathetic Guardian newspaper has felt obliged to say that "...the fact that they will be voted on so quickly will inevitably foster the suspicion that they are to be pushed through to allow the minimum time for reflection, especially with the party already preoccupied with the election."

What is being proposed? Firstly, Labour Party conference is to be downgraded to become a copy of the American style conventions with plenty of rallies, etc. but little actual discussion and decision making. We had a taste of this at the last conference, with its videos and balloons, but most delegates

swallowed this in the interests of pre-election unity. It is that mood which is now being abused by the leadership. It is intended to limit the ability of the party to frame and discuss proposals which may be critical of the actions of a Labour government. Why do they fear this? Of that, more later.

## Downgrade

Linked to this is a proposal to downgrade the authority of the NEC by removing the links between it and the cabinet and diluting it down to the level of a mere consultative body. The document is clear about the reasons for this: "neither it (the NEC) nor the party should aim to operate as a kind of shadow or watchdog of Labour in power, seeking principally to police the operations of the elected government." In other words the Labour government should be accountable to no-one and no criticism should be allowed. They are terrified of what happened under the last Labour government of 1974-79. But why are they now so afraid? Do they know something we don't? Is it possible that they feel that the actions of the next Labour government may not meet with universal acclaim? The last Labour government was faced with a clear choice, under the economic crisis it faced, to either break with capitalism or carry out the commands of the IMF and the City and attack workers living standards and the gains of the movement. It

chose the later and in doing so laid the basis for the defeat of 1979. Blair and Brown have already made it more than clear that they intend the next Labour government to be more than friendly towards big business and will not hesitate to take their side in any conflict of interest. Under such conditions of crisis it is clear that they already expect some opposition and dissent from a movement who will have worked so hard to get them elected and would have been expecting that government to act in the interests of their class just as the Tories before them acted in the interests of the ruling class. Rather than deal with the cause of that opposition they intend to try and silence it.

Policy will now evidently be decided through a new joint policy committee (JPC) drawn equally from the NEC and Cabinet i.e. the leadership. The positions they produce will not be subject to any amendment just a straight vote at conference, Yes or No. In addition new policy forums will be created along the lines of the National Policy Forum already in existence. These forums are supposed to provide "new channels for informed debate and co-operation". In reality they would be nothing more than a glorified talking shop. As these forums operate behind closed doors any criticism and complaint could be safely ignored as has, in truth, been the case up to now with the existing forums. Constituencies will however have to submit resolutions to this body for filtering rather than direct to conference. For good measure the Women's Section will also be abolished.

Where the leadership feels the need to get the "support" of the party then the OMOV tactic will be used. In other words what we are talking about is the sham democracy of rule by plebiscite—what Ken Livingstone has called the tactic of the "leader and the masses." We have seen how this has been used in cases such as the vote on the draft programme last year. Here we had a situation where everybody knew this was just a





case of meaningless rubber stamping for the benefit of the media. When it became clear that party members were simply not bothering to vote, loads of party workers from head office started boosting BT's profits by ringing round all the members who had not voted, asking them to vote, by telephone if possible. Interestingly enough, those who voted against the programme by telephone immediately found themselves listening to a shocked voice telling them that they had voted 'No' and asking them if they wished to change their mind! Had a trade union handled a vote like that they would have been pilloried by the media and made to feel the full force of the Tory anti-trade union laws.

### Eliminate

Things won't stop with these proposals if the "modernisers" have their way. There is already talk of eliminating GMCs as decision making bodies from local parties, creating a grand nomination list from which prospective parliamentary candidates must be selected (with the NEC deciding who will go on this list!) and of course the old bugbear of the trade union links. No wonder some on the party rightwing keep raising the idea of PR, links with the Liberal-Democrats and, naturally, state funding.

Workers are desperate for a Labour victory and the defeat of the hated Tory government and as such will not be willing to be seen to rock the boat. Nevertheless CLPs and affiliated trade unions should take a stand now in defence of party democracy and oppose these new proposals. The Labour leadership may not like the idea of party conference and the NEC voting against them but surely it is up to them to act in a way which avoids the need for this. Since it is already clear from their stated positions which way they are intending to go, we should be doubly keen to defend our existing party structures from dubious reform. In the end no amount of supposed reform will be able to finally stifle the voice of dissent, a voice born of the class struggle which this movement should be prepared to fight for.

Jim Stewart



# Can Labour save the welfare state?

It is 45 years since Aneurin Bevan wrote his case for a comprehensive universal welfare state, *In Place of Fear*. Bevan's work which aimed at the abolition of the five great social evils; want, ignorance, disease, squalor and idleness, was based upon a Labour government that had constructed the foundations of the welfare state. The question for today's Labour leaders is can they deliver a political solution to solve a deepening crisis in what remains of the present social security system. Within the context of spiralling welfare costs and a ruling class determined to cut them, we look at the leaderships main proposals and ask if they are enough?

by Mark Townsend

Although the evidence is abundant, the research available in reams, the real picture of life in Britain is a closed book to the leadership of the Labour party. The Millbank tendency seem blissfully unaware of the social contradictions festering in Britain's ghettoised council estates and in the slum accommodation of Britain's bedsit lands. And so, in the policy 'lite' formula so fond of

Labour's spindoctors arrived the 'Road to the Manifesto' document, 'Getting welfare back to work'. The document lays out the leadership's plans for the modernisation of the social security system and Labour's wider plans for the welfare state.

Many readers of Socialist Appeal are or have experienced life reliant on a Giro or a very low wage and remember its reality all too well, but nevertheless some statistics on Britain's poverty levels and Labour's tasks are also revealing.

Prof. Peter Townsend writing for the TGWU comments; "Between the spring of 1990 and the Autumn of 1993, the number of people in full time jobs fell by 1,389,000 - 8% - while the number in part time jobs increased by 871,000 - 5.4%. A total of 5,014,000 women and 906,000 men were working for an employer part time, and these figures underestimate the number of part time jobs because some people will be doing more than one."

Further evidence is supplied by the PTC and the Low Pay Unit they argue; "Britain is facing a rising tide of poverty and deprivation. Even the Official figures show that the numbers of poor have almost tripled, from 5 million in 1979 to nearly 14 million today. A quarter of

the British population is now living in poverty as defined by the European council definition. These include four million children.... The problem of poverty is now so great in Britain that Oxfam traditionally concerned with the third world are turning their attention to Britain." The Labour leadership's answer to this deepening crisis is unconvincing. The policy document on reforming the social security system places at its central core the responsibility of the individual for their own unemployment. Labour's right wing have accepted lock stock and barrel the notion that mass unemployment is organic and likely to remain unofficially in excess of three million even during upturns in the business cycle. Also if, as Gordon Brown has recently restated, public spending to create jobs is ruled out, as night follows day this means that the unemployed must be forced into whatever work does exist. They argue, "We want to create an active society (?), not a dependency state. A welfare to work strategy is the key to helping those personally affected by unemployment. It is also the key to sensible reductions in the cost of social security to the country as a whole." And, "Labour's benefit-to-work policies aim to trans-



form the way the welfare system operates. Benefits for the unemployed should act as a spring-board as well as a safety net."

Running through the document like a thread is a key assumption touched upon in the above quotes namely that the unemployed must take the responsibility for their predicament and a responsibility to escape from it. There is no recognition that mass unemployment is a product of a weak capitalism. Instead the document suggests that individual responsibility to find work is the answer to mass unemployment. This idea is continued in plan to introduce individual career plans for jobseekers. This would involve the long term unemployed being allocated a caseworker to assist them or police them in their search for work. These plans must of course be seen as a continuation of the arrangement under the Jobseekers' allowance where claimants are coerced through the jobseekers' direction system under threat of benefit deductions. Taken concretely in the realities of today's labour market it will mean a velvet fist approach to claimants in order to get them of the dole and into the 'burger flipping' low wage work that so abounds in Britain. Labour's other big plans look to the reorganisation of the Benefits Agency and the Employment service. It will involve the setting up of a simplified application and processing system through the introduction of a 'one stop shop' to welfare. For Employment service and Benefits agency staff already under attack by the Tories, yet more downsizing and restructuring will not be welcome. Ironically, when every serious welfare analyst discusses simplification inevitably they call for the extension of universal benefits and the removal of means testing. For Labour's right wing however this is a closed book. At present it generally costs ten times the amount to process a means tested benefit than a universal benefit. The document correctly points out without promising an end to means testing; "In 1978-79, 17% of all Social Security spending was on means tested benefits. By 1995-96 this figure had risen to 36%. The number of people dependent on means tested benefits has increased nearly eight fold under the Conservatives - from 300,000 in May 1979 to 2.3 million in October 1995."

The idea of yet more tinkering with a benefits system already

complicated to the extreme by means testing would result in further hapless reforms having little real impact. Yet in attacking waste and inefficiency the Blair team seem happy to continue with means testing as the guiding principle in welfare to the poor. Another of Labour's announced reforms involves the ending of the 'benefit trap' or 'poverty trap,' the document argues correctly again, "Some people find that they are penalised by benefit withdrawal to such an extent that they are actually worse off in work than when unemployed. Others find that 97 pence in every extra pound of earnings is clawed back in benefit reduction."

Oddly enough however the causes of the poverty trap, namely means tested benefits and low wages are not according to the leadership candidates for reform, so the document is left with a rather paltry commitment to allow partners of claimants to keep some of their earnings if in work, and believe it or not, a commitment to interview the unemployed partner of a claimant so granting them access to the Employment service's expertise in jobsearch techniques, which at present is closed to them. These measures are unlikely to benefit more than a handful of claimants.

Overall the Blair team's plans for Britain's Social security system are notable by their timidity. Capitalism has provided the basis for the return of 'great depression' poverty in areas of Britain with mass unemployment and a collapsing health and welfare system. A socialist programme is needed now by Labour more than ever. Such a programme would include fundamental reforms of our welfare and social security systems, with a very early abolition of the Jobseekers' allowance. It would have at its core the realisation of full employment and linked to that, the provision of universal benefits to those unable to work. The poverty trap would become a memory with the introduction of a living minimum wage and with the introduction of welfare benefits linked by formula to wages for those unable to work. The Labour leadership's solutions are not enough to prevent the disillusionment of those millions looking to Labour, only a socialist programme would assert the right to work as the key to providing a universal benefit system capable of comprehensive care from cradle to grave.

# Fantasy fat cats

No longer just a game of two halves, football is rapidly becoming a game of two classes, as the gap between the Premier League and the rest of the professional game becomes ever wider. The recent announcement by the Premier League that it is considering plans to reduce the number of teams relegated each season to two (and in turn reducing the number of teams promoted from the Nationwide league) marks just another step down the road to all out commercialisation.

by Paul Nowak

Once regarded as the 'game of the masses', football is rapidly becoming a millionaire's playground, where tycoons and City bankers can play fantasy football, while at the same time making a handsome profit. Growing commercialisation has pervaded into every aspect of the game, from overpriced merchandise to the hiring and firing of managers. The recent resignation of Kevin Keegan as manager of Newcastle United was precipitated by the club's bankers, NatWest Markets, who were adamant that the managers position had to be clarified before NUFC's pending share flotation in order to avoid breaking strict City rules. Even the Club's choice of replacement, Kenny Dalglish, was made not only for his managerial record (which, even as an Evertonian, I have to agree is excellent) but also for the fact that he was a big enough 'name' to reassure nervous investors.

And nowadays it is the investors who count. From a financial point of view, investing in a Premier League team is a license to print money. All seater grounds have meant higher turnstile incomes while concerted marketing of the game has meant a massive increase in merchandising and related commercial opportunities. A club like Manchester United makes more through the sale of (ludicrously overpriced) replica shirts than it takes on the gate. For investors with a few bob around, football seems to provide a high yield return on their investment, often with minimal risk. For example, NUFC was purchased for just £8 million in 1997 and the owner Sir John Hall,



through his company Cameron Hall development, has not put a penny into the club. All he has done is guarantee the clubs debts with its bankers. For this act of philanthropy he stands to make between £100-£120 million when the club takes the stock market plunge this spring. Nor is Sir John the only 'self-made man' to have profited from football's post-Taylor fashionability. Martin Edwards, Manchester United's chief executive, has so far made a mere £26.7 million from United's shares in just the last year or so. He can however take comfort from the fact that his remaining shares in the club are currently valued at around £75 million. To put this figure into perspective it is worth remembering that in 1990 Edwards was about to sell his shares in United to Michael Knighton (well known to both Carlisle Utd and X-Files fans) for just £10 million!

In fact hardly any club in the Premier League is exempt from this sort of profiteering. As a life-long (suffering) Evertonian, I find it hard to believe that there is much money to be made from our current mid-table mediocrity—and yet Peter Johnson, EFC Chairman and hamper magnate, has managed to turn an investment of £10 million made three years ago, into a stake currently worth some £103 million!

Of course where such sums of money are involved there has to be losers as well as winners. In the case of the football, those losers are the ordinary men and women who go through the turnstiles, buy the club merchandise and pay through the nose to Rupert Murdoch for the privilege of watching our national game on TV! The fortunes made out of football by Hall, Johnson, Edwards, Ellis (Aston Villa), Sugar (Spurs) et al, haven't simply been conjured out of thin air. Not content with fleecing the working class in factories and workplaces on a daily basis, these friendly faces of capitalism are intent on getting their tuppence worth from every aspect of our lives. Of course, this phenomenon is nothing new, regardless of its popular appeal, professional football has always been run for profit rather than for supporters or the benefit of the game as a whole. What is new, however, is the degree to which the game is being manipulated in order to maximise profits—regardless of the consequences for ordinary fans. The extension of the 'Champions League' to include runners-up is clearly a step towards the introduction of a European league, a process being fuelled by the prospects of fat TV royalty cheques. Such a league would hammer a nail in the coffin of the domestic game, creating even more

inequality between an elite set of clubs and the rest. The effects of this growing inequality are already plain to see with many clubs in the lower divisions operating with continual losses or on the shoestring. Most recently, Millwall have been forced to call in the administrators after a collapse in their share prices in the face of mounting debts. The speculators just shrug their shoulders and take their money elsewhere whereas the supporters, players and staff and the local community are left to pick up the bill.

Bill Shankly was wrong when he said that football was more important than life or death—Hillsborough, Bradford and Heysel proved that—but the fact is that for hundreds of thousands of people every week, football is a source of entertainment and enjoyment. Placed in this context, is it therefore right that ownership and control of our game should be concentrated in the hands of big business? It is our money that plays players wages, builds stadiums and ultimately lines the pockets of club directors and City investors. In return we get squeezed by higher gate prices, extortionate satellite subscriptions and—coming to a cable station near you soon—'pay for view' TV. Football may well be the 'game of the masses' but it is certainly not run by the masses or for the benefit of the masses! Capitalism is busy transforming football and its clubs into a marketing man's utopia. Commercialism is sucking the life out of the game, killing its grassroots. Capitalism controls and manipulates football in exactly the same way that it controls every other aspect of our lives. Ultimately running football for profit will end in the destruction of the game as we know it. A quick look at the state of professional sports such as American football or basketball in the USA shows how quickly sport can degenerate when profit becomes the main motivator. For sports like these, the sponsors and the TV companies decide everything, the fans nothing.

Only when the running of the game is transferred out of the hands of the bankers and big business will football rally become 'the game of the masses.' By bringing clubs under the democratic control of their supporters and the local communities, football can become accountable and accessible to all. On the contrary while football remains in private hands, Messrs. Hall, Johnson, Moores etc. will continue playing fantasy football with our clubs, a game where balance sheets count for more than team sheets. For Everton FC, read Everton PLC...





# Book review

# Sleaze

When the Speaker of the House chose earlier this year to deliver a stern warning to the media about the dangers of tarring MPs with the sleaze issue, she undoubtedly had this book in mind. After reading it you will be justifiably left with the impression that her attempts to protect the mystic integrity of parliament is wholly undeserving. To quote from the foreword to the book: *'Can these rascals and humbugs really be prancing about the great Palace of Westminster, concealing their corruptions? You bet they can.'*

by Steve Jones

This book, written by David Leigh and Ed Vulliamy on behalf of the Guardian team who broke the story, recounts the complex saga of the links between Tory MP Ian Hamilton and lobbyist Ian Greer and how that led to the Guardian of Tuesday 1 October 1996 leading with the banner headline 'A liar and a cheat.' In doing so however it brings to view the whole culture of sleaze and corruption which is seen to

pervade parliament in general and the Tory Party in particular. You are left with the feeling that it would be difficult to decide which would be the more dubious place to visit—Parkhurst or Parliament.

The book correctly puts the Hamilton/Greer saga into the wider context of the general mood of sleaze and self promotion which has marked the ranks of the majority party since the mid 1980s. *'One senior Tory backbencher recalls that the motto of those years on his side of the house was: "Enrich yourselves!" Throughout the 1980s, he said, the party Whips positively encouraged MPs to make money.'* (page 37)

## Corruption

Although there has always been a history of corruption in the house it is clear that the opportunities to make "a bit on the side" were amplified by the prospects presented by the large Tory majorities of the 80s. The statistics presented by the book are damaging enough: *'An analysis of the 1995 Register of Members' Interests was eventually to suggest that 26 MPs had acquired 'consultancy' agree-*

*ments with public relations or lobbying firms and a further 142 in total, almost 30 per cent, had 'consultancies with other types of company or with trade associations. An estimated 389 MPs—nearly 70 per cent of all backbenchers—had financial relationships with outside bodies which directly related to their membership of the*

*Commons.'* (page 39).

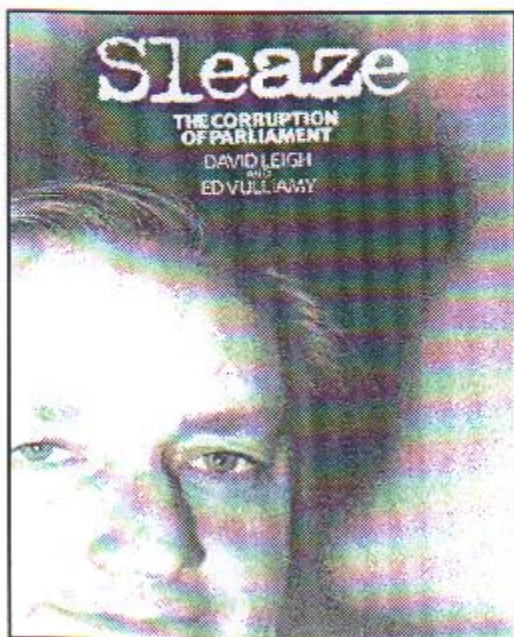
Of course this, in and of itself, cannot be considered as evidence of corruption but clearly the basis for a blurring of distinction between the allowable voluntary advocacy of an issue and *'advocacy as a result of instructions and binding obligations'* was well and truly there. We have seen how the Tories have rewarded their friends and supporters by putting them into lucrative positions on the numerous bodies and quangos which have arisen during the Tory years. Almost every such body has its quota of loyal placemen in position, ready to tow the line when required. In addition titles and honours have been doled out in an unassumedly blatant way year after year to loyal Tory supporters as reward for *"services to business"* and so on i.e. services to the Tory Party. seeing this, it was not surprising that the likes of Westminster Council felt immune from retribution. The book takes up the allegation that Ian Greer used two MPs, Neil Hamilton and Tim Smith, to help promote the case of the owner of Harrods, Mohammed al-Fayed, in his long battle with Lonrho and its boss 'Tiny' Rowland. Greer was well used to paying for the ear of MPs—over 21 received payments from him to aid election expenses in 1987. However, the book alleges that in particular Hamilton received several cash payments for raising questions in the house and generally pushing the Fayed case. When he became a Minister, this financial link was not admitted. The bad news for Mr Hamilton was that, having achieved ministerial office, he was now less than willing to continue to assist his former paymasters—a fact that was not to leave al-Fayed best pleased. So annoyed was he that he began to tip the Guardian off as to what had taken place. When the paper

went public in 1994 on their allegations concerning the affair, Hamilton denied everything and threatened to sue. However, he had a problem. When the case came before the High Court, the judge ruled that it could not be heard. Basically, parliamentary privilege meant that no evidence could be presented on why questions had been asked in the house, only that they had been asked. Since no evidence could be presented, no case for or against could be argued. However, Hamilton did not stop there but set about, with the tacit support of the Tory machine, including No 10, in arranging for parliamentary rules to be changed so that an MP could waive parliamentary privilege thereby allowing the court case to proceed. So far so good. But as the date of the new hearing approached the game plan began to fall apart. Evidence began to be subpoenaed from Tory HQ confirming the flow of cash from Greer to the party. Witnesses were assembled who had seen payments being made in cash to Hamilton.

## Evidence

So much evidence in fact that one of the Guardian's legal team said to one of the witnesses: *"I asked for a smoking gun and you've given me a Kalashnikov."* The "smoking gun" reference mirrors that used by the Watergate reporters when looking for the central evidence that would nail Nixon. Given the mass of evidence Greer and Hamilton had no choice but to withdraw their action on the eve of the trial. The Guardian proceeded with a full series of articles on the affair but incredibly much of the new evidence, now no longer by law in the public domain, could not be used. This material has now been referred to parliament's new Commission on Standards. To date they have been moving on this at the speed of a sleeping snail. Meanwhile, Hamilton has been blustering on, denying everything and trying to get this book removed from bookshops on threat of legal action. For that reason if nothing else it is worth getting a copy of this very readable book.

*Sleaze. The corruption of Parliament*  
Fourth Estate (£9.99)





Over the last 18 years this Tory government has bulldozed over all the progressive reforms secured by the labour movement since the war. From social security to pensions, from schools to hospitals, they have set about tearing apart the welfare state.

by Phil Mitchinson

The development of the welfare state represented an immense improvement in the lives of ordinary working people, but it is now clear that its future could never be secure while the capitalist system itself remained intact. In the last two decades the welfare state has been strangled by the constraints imposed by the free market. Of course, the bosses didn't grant us any of these reforms out of the goodness of their hearts. Everything we gained in the past, we gained through struggle. These advances were torn from the bosses kicking and screaming, at the earliest possible opportunity they took them back.

The so-called consensus of the 50s and 60s was based on the world economic upswing. Many of these reforms could be afforded in those far-off, heady days of economic growth, as a "price worth paying" for social peace. Moreover, while industry was expanding, the capitalists were willing to accept a health service to repair their "broken down" workers, at no cost to themselves, or an education system which provided them with much needed skilled labour.

But this was only expediency. They hadn't been converted. The illusion that it would prove possible to gradually reform the system out of existence over years of piecemeal legislation was soon to be dashed. Once the system could no longer afford these concessions, they were brutally clawed back. As manufacturing industry was laid waste, and the Tories set about turning the workshop of the world into a sweatshop, they no longer required the same level of educated skilled workers. A massive pool of unemployment made their need for a health service redundant too, and the bosses were not prepared to provide education, or even the NHS, just for the good of our health. Their intention now was to drastically cut public

# Tories eighteen year record of destruction

spending, and hand our welfare state over to the "uncoordinated wisdom of the market."

In housing for example, Thatcher declared the "property owning democracy." Under this guise millions of ordinary families have been trapped into life-long debt, and negative equity, while at the same time the stock of decent, affordable, rented accommodation, which the local councils were charged with constructing, was sold off for a pittance.

## Housebuilding

Under Nye Bevan as Housing Minister, the Labour government of 1945 built 800,000 council houses. Throughout the 1950s and 60s this housebuilding programme continued at a rate of around 200,000 to 300,000 per year. Still in the 1970s around 150,000 houses per year were being built. By the 1980s however, this had fallen below 30,000 per year. Housing expenditure fell from 4.1% of GDP in 1977 to 1.6% in 1989. Maybe it was possible to slow down because the building programme had worked and there were now enough houses available? If so, how do we explain the rise in homelessness, and the number of families living in temporary accommodation, bed and breakfast, and so on. In the first place, because the houses that had been built were now being sold off. Throughout the 1980s annual sales of council houses exceeded 100,000 per year. If the Tories were to win a fifth term, it is their intention to force through the sale of all remaining council houses. Their new plans (if hell were to freeze over, and the Tories won

the election) unveiled in the Sunday Times (9/2/97), are to force local authorities to sell off over a million homes to private landlords in a return to Ratchmanism. The mass house-building programme was launched precisely because private landlords had proven capable of offering only squalid accommodation at exorbitant rents. Now the Tories are intent on turning over "freedom from squalor" to those same private landlords.

They intend to offer dowries of hundreds of millions of pounds to landlords to take over inner city estates. John Gummer has developed plans to release £500 million for this purpose. This is the economics of the asylum, giving huge sweeteners to landlords to take over estates, rather than spending the money on improving them, and building new houses. Eventually all Britain's 4 million council houses would be sold off to raise around £10 billion,

once again to be squandered on tax cuts for the rich.

It isn't only houses this government hasn't built or repaired. A survey conducted in 1976 showed that capital expenditure on our schools needed to double by 1990. Instead it halved. As a result our school buildings are crumbling

## Class

Nowhere is the class basis of the Tory party more evident than in education. They have always been the party of the old school tie. This time in addition, we have a Prime Minister who can't even remember if he's got any O levels.

What could be more vital to the future of society than the education of our children. The Tories were intent upon introducing the "blind wisdom of the market" here too, making "freedom from ignorance" dependent on the ability to pay. Initially they intended to introduce vouchers for secondary education. An





Internal report in 1982 outlined this scheme, together with a plan to end funding for higher education. The threat of mass opposition however, forced them to move more slowly. The 1988 Education Reform Act introduced the National Curriculum, testing children at 7, 11, 14, and 16. This not only provides the basis for their spurious league tables, but also for a process of selection. As in housing, the Tories were intent on removing even the limited democratic control which could be exerted through local government. Grant Maintained Status for schools was introduced to encourage schools to opt-out of local authority control. The idea is to let in selection by the back door. The "successful" schools would evolve into fully selective grammar schools, with the rest reverting to secondary moderns. Major's vision of a grammar school in every town means also the return of secondary moderns and technical schools, in reality abandoning the future of the majority of our young people. According to Labour's Social Justice Commission, "One in five 21 year olds has basic problems with basic maths and one in seven with basic reading and writing." What a crushing indictment of the failure of this market based approach to education. Labour must reverse the privatisation of education. Remember Thatcher's pledge, "where there is want, may we bring plenty." What she meant to say was plenty more want. Between 1979 and 1992 the poorest 10% saw their living standards fall by 17%, while the top 10% are 60% better off. Under the Tories earnings inequality is greater than at any

time since 1988. Now we know what they mean by a return to Victorian values.

In their attacks on state benefits the Tories have squeezed the poorest in society until the pips squeaked. They reduced the real value of benefits and the numbers claiming them, by any means necessary. Child Benefit has repeatedly been frozen. In the last two years, single parent benefit has been frozen, according to Peter Lilley in a deliberate attempt to discourage single women from having babies.

From 1988 the Treasury withdrew its social insurance contributions. The whole point of National Insurance was that everyone paid in, including the bosses and the government, and then everyone could rely on a pension, free healthcare, and benefit when they were out of a job. Today National Insurance has become additional income tax, you pay in, but you don't stand much chance of getting anything back.

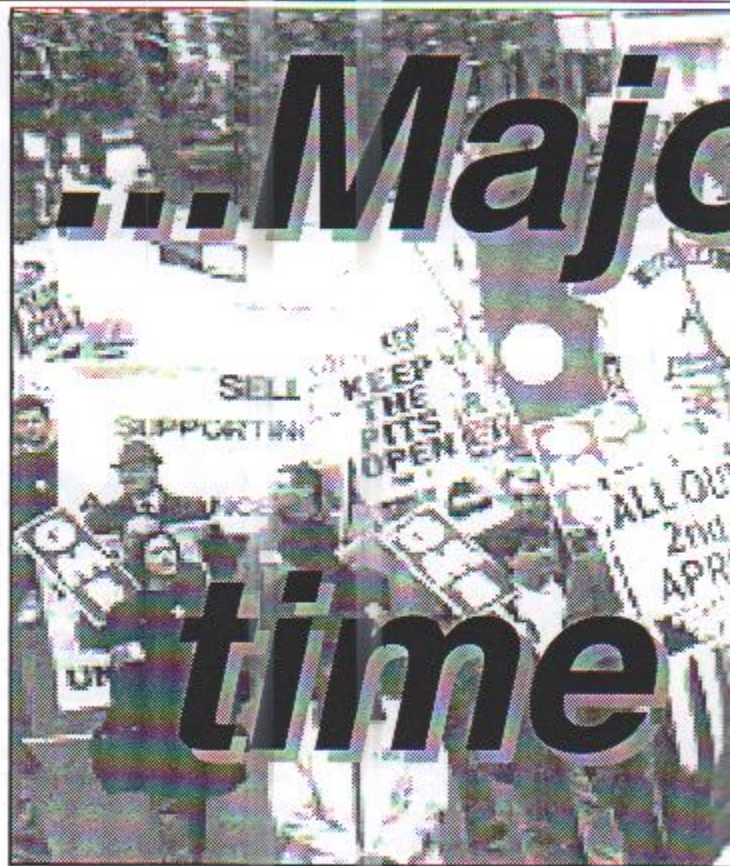
In every area universal benefits have been gradually replaced by means testing, making claiming humiliating, and far more difficult. Now it is their intention to replace Benefit Agency offices with "by telephone appointment only offices" as a step towards privatising the administration of benefits altogether. Labour must restore the value of benefits, and introduce a decent National Minimum Wage, to end poverty pay.

In fact, if the Tories were to win a fifth term, it is their intention to privatise all social services, even childrens homes and adoption services. That is a truly terrifying prospect, handing over the care of the most vulnerable in society to the "blind market."

### Private

Already we've seen the spread of private nursing homes, which all too often see their role as warehousing the elderly rather than caring for them. Care in the community is in principle a very good idea, which we would all support, if it were adequately funded. Instead, we have care by the community.

There has been a tremendous shift of responsibility, but not resources, to carers, the Tories have centralised the funds and devolved the blame. 14% of people are carers in some way



or another. Approximately 1.3 million people devote more than 20 hours a week, to caring for a sick or elderly relative. A reliance on family, insurance, and charity that's what a return to Victorian values means. Undoubtedly the centrepiece of the welfare state is the NHS. The attempt to secure freedom from disease by the creation of the NHS, though far from perfect, was the most successful and popular of all Labour's reforms.

Again the Policy Review report of 1982 gave their game away. It called for the abolition of the NHS and the introduction of a system based on private medical insurance like in the US. This wasn't just the ranting of another crazy think tank, according to the former Tory MP Ian Gilmour, Thatcher argued for its implementation in cabinet, she "clung on to it until the majority of ministers had told her that she had made a terrible blunder." Not that they were defending the NHS, but they feared the consequences, in particular, certain defeat in the 1983 election. After that election however, they got on with the job. The Adam Smith Institute reported in 1984 that as many of the Health service's functions as possible should be returned to the market place. Yet even the tiny percentage of those with private insurance in

Britain are discovering that the insurance companies are far happier taking your money than paying for your treatment. A whole series of court cases are pending against insurers who are refusing to pay out for operations. The more people who pay private insurance, the more claims are likely to be made. Some illnesses can be very costly and therefore the insurance companies will be forced to increase their charges, beyond the reach of most of us. In the US, one in seven have no insurance.

### Drip fed

Britain spends 5.2% of its GDP on healthcare, the same as in 1979, making us 6th in Europe. Tory claims to have increased funding amount to "drip feeding...the policy seems to be one of applying elastoplast as soon as a sore appears. So the whole body becomes covered with patches of elastoplast and new sores are erupting," according to the Presidents of the Royal Colleges of Surgeons and Physicians. The BMA (dubbed the doctors union by the Tories) recently published a Winter Crisis Update, detailing the number of trusts on the verge of bankruptcy etc. This is not an accident. Having seen the huge benefits of a health service, many doc-







tors have been genuinely won over to the idea.

The NHS couldn't be abolished overnight, that would have brought millions onto the streets. Instead the Tories gnawed away at the edges, beginning with the contracting out of non-medical services, catering, cleaning etc. As though clean hospitals and a healthy diet weren't just as important as medical treatment.

Most doctors would argue that prevention is better than cure. But the market doesn't agree. In 1989 charges were introduced for dental checks and eye tests. Under the Tories, prescription charges have increased by 2300%. In the case of dentistry, patients contributions accounted for 20.5% in 1979, this had risen to 38.7% by 1989, and is even higher today. To all intents and purposes dentistry and eye care have been privatised.

The 1990 "reforms" were meant to introduce an internal market into the NHS. New NHS Trusts were to compete with one another for patients and resources, creating a financial merry-go-round and a whole new layer of bureaucracy. GPs became "fundholders" who must be conscious not only of medical needs, but also costs. One consultant wrote to the Guardian (7/6/95), "On May 30th, 1995, I resigned my post as a consultant neurosurgeon in the North Staffordshire NHS Trust, a

*post I had held for eleven years. The final event to precipitate this action was the suggestion by an administrator that I should investigate and treat certain patients based upon their postcodes in order to avoid the trust suffering financial penalties, not on the basis of what I, the patient, and their GP assessed as clinical priorities. I felt that my conscience would not allow me to remain."* Such examples could be repeated at will. Labour must abolish this internal market, and restore a Health Service free at the point of need.

Over a million people in Britain are employed in health care, it is by its nature very labour intensive. To cut costs, meant sacking workers, freezing pay, and paring services to the bone. Between 1981 and 1991 the total number of NHS employees fell by 23,900. The number of ancillary personnel fell by 50.1%, a loss of 86,300 jobs, while the number of administrative and clerical staff grew by 17.9%.

### Acute

Acute bed provision has fallen from 148,000 in 1979 to 115,000 in 1992 - a 22.3% fall, and the average stay in an acute bed has fallen from 9.4 days in 1979 to 6.1 in 1991. For the sake of statistics this makes the increase in readmissions and the increase in out-patient care appear as an

increase in the numbers treated. The Sunday Times (2/2/97) reported that waiting lists are being systematically fiddled, just like the unemployment figures, in a vain effort to make the government look good. The problem is that everyone knows the reality of waiting lists no matter how many lies we are fed.

The truth is that the profit motive has no place in our health service or our education. More than that however, it has no place in a modern economy at all. That is what we charge this system with, not just a lack of morals, but an inability to manage the development of our economy, to use all the resources we have created by our labour to meet the needs of people. Instead anarchy rules. Marxists are not utopians, we don't argue that because the system can't be reformed out of existence, that therefore reforms are worthless. On the contrary, we will fight to defend every reform that has been won, and for every new reform that benefits the lives of ordinary working people. Just because the system can't afford reforms doesn't mean they can't be won. Most employers will tell you that they can't afford a pay rise, but you can still force one out of them if you fight. As any trade unionist knows the more militant your demands, the harder you struggle, the more you can gain. To ask for nothing means you will get precisely what you ask for. At the same time, it is our duty to point out that none of those reforms can be secure while the profit system continues, as the experience of the last 18 years proves.

### Full employment

Beveridge based his report on the assumption that there would be full employment, i.e. freedom from idleness. The mass unemployment of today is probably the greatest single symptom of the sickness of society. There is a vicious circle in cutting public spending to reduce the budget deficit, with the result that you increase unemployment, and consequently the budget deficit. Herein lies the lunacy of the "uncoordinated, blind market," which spends millions to keep millions in enforced idleness. Yet neither the Tories lust for profit, nor their ideological fervour, can explain the repetition of these same policies across the capitalist world. In one country after another we see a counter revolution on the shopfloor against workers wages and conditions, the spread

of mass unemployment, and an unprecedented assault on the welfare state. Clearly what we are witnessing here is an international phenomenon with something more profound at its roots than just the vicious character of the Tory government.

The cuts in Europe are blamed on meeting the terms of the Maastricht treaty. Yet when we look a little more closely again we discover the same policies in the US and Japan.

In other words the roots of these attacks lie within the problems of the world market itself. We draw out these conclusions in order to illustrate the profound nature of the problems facing the incoming Labour government, and to warn that half measures will solve nothing.

The recent declarations of the leadership that they intend to remain within the Tories' public spending targets is crazy. In reality, as the Financial Times (3/2/97) recently pointed out, not even the Tories could meet them. To do so would mean not only a public sector pay freeze, but a continuation of the assault on public services. To safeguard all our past gains requires more than just a windfall tax on the privatised utilities, it requires planning, and planning requires ownership.

The only rational basis for funding the NHS is the nationalisation of the pharmaceutical companies. The only way to solve the problem of homelessness is to draw up a plan to repair existing housing and build more. To do so would require the nationalisation of the construction industry. The financing of such plans would require the nationalisation of the banks and insurance companies. A "well-researched, rational, systematic, well-meaning, cooperative, science based, forward looking, statistically respectable plan" democratically drawn up by the whole of society is the only long term solution.

At the end of the 20th century capitalism is no nearer to achieving the basic requirements of a civilised society. The only way to secure those five freedoms is through socialist planning, which is "infinitely superior" to the blind panic of the market.

Socialist Appeal sees its duty not only in fighting to get rid of the Tories and get Labour in - that's just the beginning. Get the Tories out, vote Labour, but don't stop there, join the party and fight for socialist policies, fight for a permanent change. Come and join us in that fight.



# Northern Ireland needs a genuine labour movement response

The escalating violence in Northern Ireland is crying out for a labour movement intervention. The Northern Ireland statelet is rapidly descending back into the spiral of sectarian violence, with the Tory government's so-called 'peace process' - far from ending the conflict - actually speeding up the process.

After the failure of the 'peace initiative', with no way forward being offered by either the British or Irish governments, nor the Republican or Loyalist paramilitaries, reaction and sectarianism is coming back to the fore.

This has been highlighted by Loyalist attacks in Antrim. In the three months up to Christmas, Catholic workers have faced attack, intimidation and arson. Worshippers at a Catholic church in Harryville near Ballymena have had to run a continual gauntlet of physical assaults with even pensioners and children being

beat up by Loyalist 'pickets' at the church. Three Catholic primary schools have been burnt down, and the homes of Catholics firebombed in attempts to drive them out of the area.

## Attacks

The Loyalist paramilitaries instigated the attacks as they have been banned from holding an intimidatory Orange march through the Catholic area of nearby Dunloy. In retaliation, they are trying to drive Catholics out of the Protestant areas of Ballymena. The attacks have caused outrage in Southern Ireland, with the media denouncing the Loyalist tactics as reminiscent of the Brownshirts in 1930s Germany. Certainly the attacks have put paid to the myth that the new Loyalist paramilitary 'political parties' are supportive of the peace process or, as the UVF's political wing, the Progressive Unionist Party, proclaimed, were 'socialist' organisations (incredibly

believed by one ultra left, so-called Marxist group!). As the events in Harryville escalated, pressure grew on the leader of the PUP, David Erskine, to intervene. In one week in December, he first showed indifference, and then as the pressure mounted, announced to a great fanfare that he would join Ballymena's Protestant mayor, James Curry, in a public display of condemnation of the violence. Then, no doubt after pressure from the UVF rank and file, he backed down, leaving the Catholic workers of Ballymena to face the continued onslaught of the UVF thugs. Such actions have renewed the cynicism of the Catholic community that Major's 'peace process' offers a way forward. The Tory government are refusing to allow Sinn Fein into the peace talks, after the IRA returned to the dead end tactic of terror bombings and have refused to call a new ceasefire. Yet the Loyalist paramilitaries have so far still been welcome at the talks, despite the sectarian attacks in Harryville, despite the sectarian assassination of a Catholic taxi driver in Drumcree, and despite the recent bomb attacks targeted at Republicans over Christmas. Indeed, the PUP's original representative at the peace talks - Lindsey Robb - has since been imprisoned for smuggling guns and dum-dum bullets into the province. Once again, the British government has demonstrated it has one rule for Republicans, and one rule for Loyalists. In turn however, Protestant workers face increasing pres-

ures. The IRA's return to the car bomb in Northern Ireland and Britain has blasted Protestants back into the Unionist camp. At the same time, following the events in Drumcree last summer, Sinn Fein announced boycotts of Protestant businesses, backed up with intimidation of Catholic workers who disobeyed their diktat. The result is that Protestant small businesses in areas where Protestants are a minority - who have no connection with the Loyalist paramilitaries - are being forced to shut up shop and move out. With some justification, Sinn Fein have been accused of practising 'economic ethnic cleansing'.

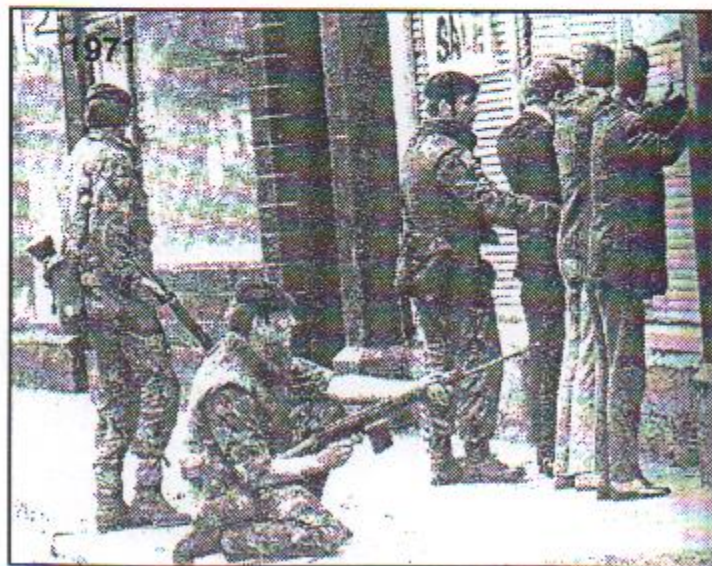
Further tensions have been added by the 1,000 redundancies announced at Shorts Brothers aircraft manufacturers, following the collapse of Fokkers. Marxists have always warned that 'positive discrimination' under capitalism does not mean sharing out jobs, but sharing out job losses. In December, the High Court in Belfast ruled that Shorts would not have to abide by first in, last out' rules when it came to redundancies, but could sack Protestant workers first before turning of those Catholics recruited in recent years under the Tory government's 'affirmative action' legislation.

## Recruit

Following new orders in January, Shorts are to recruit 600 workers - will they take back Protestants fingered for the first round of redundancies, or recruit Catholics to help their 'affirmative action' quota targets?

This has played right into the hands of the Loyalist bigots and divided the workforce along sectarian lines, when there should be a united fight to save all jobs.

The return to violence is a direct result of the British government's mishandling of the so-called peace process. As soon as Major announced that participants to the peace talks would come from an elected forum - guaranteeing the age old Unionist veto - in order to bolster Major's flagging parliamentary majority, the 'peace process' was doomed. The Major government must be for-





ever condemned for putting parliamentary careers before the appalling consequences of their actions for the ordinary people of Northern Ireland. But while they appease the Unionists for short term gain on one hand, British capitalism still wants stability in Northern Ireland at whatever cost, and in whatever shape or form. The last two years of 'peace' has brought unprecedented profits for the bosses. The latest trade figures show a 48% rise in exports from Northern Ireland: up £850 million for the four years up to 1995. In the same period, manufacturing output has grown 15.6% (compared to the UK figure of 8.4%).

The bosses will not give up these huge profits lightly, and will renew pressure on Major to 'do something' to stop the deteriorating situation. Ironically the British government would like to withdraw from Northern Ireland as soon as possible. The trade figures show that Northern Ireland is a major beneficiary from Southern Ireland's current economic boom - the South has seen the fastest economic growth in Europe. The vast majority of the Northern Ireland's exports go to the South - worth £471 million in 1994/95 alone, way ahead of it's

second highest export market, the USA which was worth £248 million. The border is now a hindrance to the Northern Ireland economy, even on a capitalist basis. And added to this is the social burden of policing and supporting the province, which costs Britain over £8 billion every year. Thus the Tories will be battered from one 'initiative' to another; caving into the Unionists one moment for short term political survival, then appeasing Republican demands the next. It is the same fate that will await an incoming Labour government too, if it continues its bi-partisan approach.

### Exhausted

Indeed, after the peace process has exhausted itself - and currently it is on its last legs - the British state will have to resort to a new round of repression in an attempt to impose 'stability.' But as the past decades have shown - including the period of the 1974/79 Labour government - repression provides no answer but instead just provokes a new round of terrorism, and further counter suppression. For all the 'New Labour' rhetoric, unless it breaks with its bi-partisan stance, a Labour government will end up with the same old depressing cycle of violence.

The only way forward for Northern Ireland lies with the working class as a whole. The trade unions have in the main not been broken by sectarianism, even during periods that were at the depth of reaction such as 1972/74. Over 225,000 workers are organised in trade unions. The current 'boom' will only bolster their confidence - unemployment in Northern Ireland (although still the highest in the UK) is at its lowest level for 14 years, while Northern Ireland GDP rose by 3% in 1996 and is expected to grow another 3% this year. It was the movement of trade unionists with mass protests, demonstrations and strikes against sectarian violence in 1992/94 that was the original engine that drove the peace process - the paramilitaries of both sides were fearful of losing their social base if they ignored the explosion of working class anger.

The problem for trade unionists has been the self-imposed paralysis of it leadership who have argued for 27 years that for trade unionists to enter the 'political arena' would split the movement in half. But the result is that they have done virtually nothing.

But the protests in the early 1990s give a glimpse of what a class based alternative could achieve. If the Northern Ireland trade unions were mobilised around the formation of a socialist party of labour, it could sweep away the centuries of sectarianism and unite the working class around a socialist programme that unified the the artificially divided island and ended the nightmare of partition. Such a movement would not take place in isolation, but inspire workers throughout Britain and Europe, making the aspiration of a federation of socialist states a reality.

Cain O'Mahoney

## General strike in Ecuador highlights Latin American crisis

The biggest general strike in Ecuador's history shocked the country and forced the resignation of president Abdala Bucaram.

Bucaram was elected in August 1996 on the basis of a populist programme which was quickly abandoned to introduce the austerity policies dictated by the IMF and the World Bank.

Last January the government decreed massive increases in the prices of basic services. On the same day electricity went up by 500%, gas by 340%, phone charges by 700% amongst other price rises. The unions then called a general strike for February 5 and 6. The government replied by suspending all constitutional rights and taking the army to the streets. There were mass demonstrations which could not be stopped by Bucaram's withdrawal of all price rises and dismissal of the more unpopular ministers. Patricio Uyunguilla, aged 17, was shot dead during clashes with the police.

After three days of unrest and confusion (at one point there were three presidents!) a compromise was reached in Parliament with the election of an interim president.

But the unions have already warned that the general strike was not only against the president but mainly against his policies.

This general strike has already had a big impact on the whole of Latin America, where Bucaram's policies are the norm. In

Honduras there was a general strike against price rises on February 12, coinciding with an indefinite strike of 14,000 health workers and 23,000 civil servants.

German Castro, leader of the National Federation of Workers (FENATRA) warned that "the government is activating a social time bomb and we could have situation like the one in Ecuador".

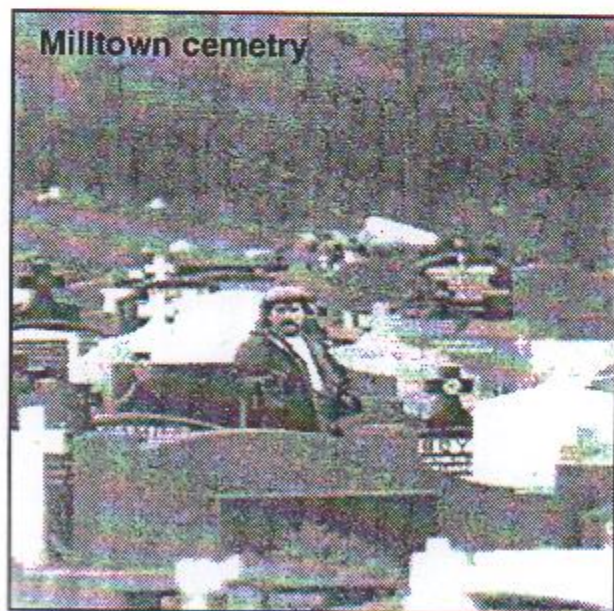
Meanwhile in Colombia on February 11, 800,000 public sector workers started an indefinite strike demanding wage increases and against privatisation of oil, telecommunications and health service.

The government had increased the wages of public sector workers by 13%, of ministers by 25% and of army officers by 47%, while inflation in 1996 reached 21%.

Seven days after, the government was forced to make concessions in order to avoid greater social unrest.

These are just a few examples of the unrest caused by austerity policies in Latin America, more can be expected.

Jordi Martorell



Milltown cemetery



# socialist appeal

## Issue 50 Relaunch

Socialist Appeal was established five years ago on the eve of the 1992 election. Next month we celebrate our fifth birthday and, coincidentally, we will be in the runup to the 1997 general election. Issue 50 will be a turning point for us, just as the election will be a turning point for the whole working class movement.

For these reasons the editorial board has decided to relaunch Socialist Appeal. From next month we will have a new look, a glossy cover, new design and, most importantly, we are aiming to sharpen up our contents. A

new Labour government will mean a new situation facing the labour movement and we hope to be able to cover the developing situation in far greater detail than before with a much more focused approach. For a start we will be starting more regular features, taking up the main topics in the workplace and in the unions, we will be having regular interviews, more reviews, a comment and letters page and many more changes will be coming online over the coming months. Our first five years have been a tremendous success. Now we must prepare for the next five.

## £10,000 needed

Alongside our new look magazine we will be launching our new financial appeal. We need to raise £10,000 by the summer.

From next month we will be charting the progress of the press fund and we hope an increasing number of our readers contribute and start planning more fund raising activities. We desperately need the money to help us prepare for future events both politically, by increasing our output of theoretical and campaigning material, and technically, by upgrading the hardware Socialist Appeal is produced on.

We also need to develop our resources for a future move to a more frequent publication.

Issue 50 will see us take a bold step forward, we hope you can help even before then. *Rush your donation in now.*

## Sell Socialist Appeal

Issue 50 will almost certainly be our election special. That means we are hoping for a record sale. Why not start planning now. If you don't already sell Socialist Appeal, then ring us up and order some copies.

If you already sell then ring to increase your order. The election will give us a great opportunity to speak to people on the doorstep, in the election meetings and rallies, in your workplace, everywhere for that matter. For the next few weeks the whole country will be talking politics. Make sure you do not miss a sale!

## Subscribe to Socialist Appeal



### Get the Marxist voice of the labour movement

Socialist Appeal was launched in April 1992 to provide trade unionists, Labour Party members and youth with a Marxist analysis of events. Given the complexity of the political situation in Britain and internationally there has never been a greater need.

Socialist Appeal has become indispensable reading for every worker wanting to understand what's really going on and help prepare the movement for the battles that lie ahead.. Subscribe today!

I want to subscribe to Socialist Appeal starting with issue number..... (Britain £15 / Europe £18 / Rest of World £20)

I want more information about Socialist Appeal's activities

I enclose a donation of £..... to Socialist Appeal's Press Fund

Total enclosed: £..... (cheques/PO to Socialist Appeal)

Name..... Address.....  
..... Tel.....

Return to: Socialist Appeal, PO Box 2626, London N1 7SQ



Consider it done...

# Italian UPS workers strike

UPS workers in Italy declared a "week of mobilisation" between February 6, and February 13. The week of mobilisation started with a two hour strike during every shift on Thursday February 6 at the two main sites of the company in the Milan region (offices and package handling, and the phone switchboard in Vimodrone).

A delegation from the Milan office workers went to Vimodrone in a bus and several cars in order to hold a joint meeting with the workers there. When the shop steward went inside the UPS building in Vimodrone the company claimed they could not open the meeting room there because "the lock had been damaged and was being repaired". So the workers had a meeting in the middle of an

office and decided to go out and join their comrades from the Milan office and package handling sites. During the following days, up to Thursday 13th there were strikes and mass meetings in all the other sites in Italy (Bergamo, Bologna, Florence and Rome). The main reason for the strike was the refusal of the company to negotiate with the elected shop stewards and the fears of workers that the company will try to outsource part of the administrative work to Sri Lanka thereby making 200 out of the 900 workers redundant. Despite the fact that the company started its operations in Italy in 1991 it still has not signed any Collective Agreements with the unions. Trade union membership has increased by nearly 50 per cent in the last two years after a group of new, young and militant shop stewards was elect-

ed. Now they are trying to organise (for the first time ever in the courier and package transport sector in Italy) the drivers. These are self employed although they wear UPS uniforms and UPS painted vans and lorries.

If the workers' demands are not met after this week of mobilisation they are going to go out on a one day strike before February 21. The exact date is kept secret in order to maximise the effect of the strike in disrupting delivery of packages.

An interesting development was the calling of an international trade union meeting on UPS. Unions from 11 countries representing more than 200,000 employees of UPS in North America, Latin America and Europe met in London on 11-12 February. Although the meeting was mainly composed of trade union officials rather

than shop stewards it was decided to create an UPS international trade union committee and organise a European Works Council. This meeting was called on the initiative of the US Teamsters union and reflects some of the new trends in the US labour movement. First of all Ron Carey and his 'reformer' slate have just won again the elections in the International Brotherhood of Teamsters. They had been elected in the first presidential election to have the participation of the rank and file. This time they were facing a joint counter attack of the union's right wing headed by Hoffa Jr. (son of the famous Jimmy Hoffa who put the union under the control of the mafia). Despite the fact that the right wingers spent millions of dollars, over 500,000 members voted and returned almost the entire reformer slate (22 out of 27 officers). This process is part of the shift to a more "left" wing trade unionism in the US unions under the pressure of the rank and file.

UPS is the main employer for Teamsters (with around 200,000 of their members employed) and the union is trying to develop international links as some other unions are starting to do in the US. Please send messages of solidarity to the UPS workers: UPS National Shop Stewards Combine Committee fax: + 39 2 66201615 phone: + 39 2 6480488 email: msuescun@mbox.vol.it

# Korea strike update



Under the pressure of the general strike organised by the Korean Confederation of Trade Unions (KCTU) the government of Kim Young Sam has sent its controversial labour reform legislation back to the National Assembly and withdrawn the arrest warrants for the KCTU leadership.

This temporary retreat was welcomed by the opposition in parliament, but the KCTU leadership were more critical. "We are very disappointed," the KCTU general secretary Kwon Young Kil said, "the talks have not solved any of the basic problems, and are far from what the Korean people demanded." The KCTU will resume its strike action Monday 24 February if the legislation is not fully withdrawn.

The strikes cost Korean big business over \$3 billion in lost production and a climbdown was necessary, especially given the rapidly approaching wage negotiations in March.

The Korean labour movement has emerged as a force to be reckoned with.



# China

## The death of Deng

The death of Deng Xiaoping opens up a new chapter for China. Over the last 20 years since the death of Mao, the shift towards opening up the economy to capitalist interests has intensified the contradictions of Chinese society.

The victorious Chinese Revolution of 1944-49 was the second greatest event in history, bringing to its feet a nation of a billion people formerly humiliated and subjugated by foreign imperialist powers. However, the victory of Mao's Red Army introduced, not a socialist regime, but a mirror image of Stalin's Russia. There were no Soviets or independent movement of the workers. Basing himself on the peasants and manoeuvring between the classes, Mao established himself as a Bonapartist dictator at the head of a monstrously deformed workers' state.

Despite the monstrous bureaucratic deformations arising from Chinese Stalinism, the elimination of landlordism and capital-

ism was a giant step forward, and released the potential of the Chinese economy. Within a relatively short period, China emerged as a great industrial power. This was in complete contrast to the previous years of national subjugation and enslavement by foreign rule. Despite the advances, the rule of the Chinese Stalinist bureaucracy came into increasing conflict with the needs of a modern economy. Without democratic workers' control and management - of workers' democracy - then bureaucratic control would inevitably end in greater and greater contradictions.

### Autarky

The mad theory of autarky ("socialism in one country") did terrible damage. The "Great Leap Forward", which ended in catastrophe, was a bureaucratic attempt to force China's industrialisation through small-scale cottage industry.

The death of Mao in 1976 opened up a power struggle amongst the various wings of

the ruling bureaucracy. Mao's widow and the so-called "Gang of Four" were purged, and prepared the way for the rise of Deng Xiaoping, and those bureaucrats that wanted to put an end to the upheavals of the Mao years. Consequently, Deng abandoned the old policy of autarky and promoted China's participation on the world market.

The opening up of the Chinese economy to world trade in 1978 was a turning point. Under the pressure of imperialism and the growing contradictions facing the regime, the bureaucracy under Deng moved towards capitalism. It was dressed up, in the words of Deng, as "socialism with Chinese characteristics".

With the news of Deng Xiaoping's death, the Western capitalist media is full of eulogies praising his actions to move China to a "market economy." For them, Deng opened the road to the restoration of capitalism and a potential market of over one billion people. They toned down their criticisms of Deng's massacre of the student protesters at Tiananmen Square. In any case, these hypocritical gentlemen, who shed plenty of "crocodile tears", are quite prepared to back repressive dictatorships as long as they stand in defence of private property.

Unlike in Russia, the Chinese bureaucracy want a controlled movement to capitalism, with themselves firmly in the saddle. Throughout the 1980s, Deng's slogan - "to get rich is glorious" - was trumpeted endlessly. His programme was similar to Bukharin's in Russia in the 1920s, who urged the peasants

(the kulaks) to "Get rich quick!" If this had been carried through to a conclusion, it would have resulted in the restoration of capitalism in Russia at that time. Opening the door to Western investment has led to booming growth rates of over 10%. However, this has led to growing inflation and put colossal strain upon the country's infrastructure. As long as China remains a field for super profits, the West will continue to pour in its money. US imperialism has been quite prepared to ignore China's human rights record - and brush aside the Tiananmen Square massacre - as long as it gets greater access to its markets. Net foreign direct investment into China has rocketed from \$3.5 billion in 1990, to \$27.5b in 1993, \$33.8b in 1994 and \$38b in 1995. But things could go into reverse at the first sign of putting the blocks on this capitalist development.

### Capitalism

Although there have been big concessions to capitalism, particularly with the creation of the "special economic zones", the bulk of industry remains in state hands. State factories still employ the bulk of China's 170 million strong urban workforce. As much as 80-90% of all loans by state banks are made to the state-owned industries, amounting to \$120 billion (one trillion yuan) at present. Estimates put the increase in the debts of state industries each year at 50-60 billion yuan. Much of the borrowing from the banks are to cover the wages of state workers. According to the 'Economist', "were the music ever to stop, it would be disastrous. More than one-third of China's state enterprises, at an optimistic reckoning, have liabilities that exceed their assets." (14-20 December 1996).

Huge numbers have left the land for jobs in the cities, giving rise to increased social tensions. The regime is on the horns of a dilemma. To proceed down the road of capitalism, even in a controlled way, will lead to explosions.

As the 'Economist' continues: "Recently, reports have grown that workers are being sacked in droves from state enterprises, particularly in China's industrial north-east. Certainly, hundreds of thousands of state workers, if not millions, have gone unpaid for months: a growing source of conflict. According to some





economists, state firms have cut their payrolls by 10m people, to 90m, in the last year alone. But state figures show that the number of workers employed by state-owned enterprises has risen, not fallen, over the past five years. As a result, there is a huge problem: if state firms keep redundant workers on, they lose more money; if they sack them, the jobless join a surly crowd who lack both training programmes and the dole. The government can do nothing for them."

It is the fear of social unrest, that hold back the bureaucracy. They are split over how to proceed. Many bureaucrats have done well out of the "reform", but others - the present heads of the state firms - are looking enviously at the wealth made by the nascent capitalists. Terrified of the workers, they are prepared to hand out billions in subsidies to keep the state sector going. "So sweeping reform of the state sector, which was on the cards three years ago, has given way to piecemeal fiddling... state con-

trol is never to be surrendered.." (Economist).

The big question being asked is whether Deng's death will continue the process of "reform" or lead to a bitter power struggle within the Chinese bureaucracy. The 'Financial Times' was forced to comment that "Deng's manifest achievements during the period 1978 - the year the 'open door' policy was proclaimed - to his death, did not come easily, and his legacy is far from secure." (20th February 1997).

### Supreme

Deng played the role of supreme arbiter over the different wings of the Chinese bureaucracy. With his death, these factions can engage in bitter struggle over the direction the country should take. The old guard went along grudgingly with Deng's reforms, but looked ever more suspicious at the growing power of the nascent capitalist elements. On the other hand, the nascent bourgeois, who have achieved increasing power, do not want to share this growing influence with

the old bureaucracy. However, the younger layers of the bureaucracy are more open to pro-capitalist tendencies. The 'younger' group around the President Jiang Zemin are in the ascendancy, but Deng's departure will inevitably sharpen the divisions in the bureaucratic elite. This struggle at the top, given the build up of social discontent below, could trigger a movement of the working class in China. The Chinese working class is one of the strongest in the world. The movement of the students around Tiananmen Square was a harbinger of what is to come. The movement towards capitalism is far from complete. Discontent amongst the workers is increasing. However, it is not certain which direction China will move in. That will depend on many things, including the movement of the working class in Russia and the West. A genuine socialist regime in China would transform the world. As we said in an article commemorating the Tiananmen Square massacre: "The mon-

strously deformed regime that emerged after the 1949 revolution could have no appeal to the workers of Europe, Japan and the United States. But the experience of the last 45 years has utterly transformed the situation. The powerful Chinese proletariat, once it took power, would never tolerate the reestablishment of a corrupt, bureaucratic totalitarian regime. A modern, democratic healthy workers' state in China, which would make an appeal to the workers of the world, as the students of Tiananmen attempted to do in a confused way, would transform the entire situation internationally." Only this road can satisfy the aspirations of the Chinese working class and offer a new glorious chapter in the history of China.

**Out now: Where is China Going (with new introduction) price £1 from Well Red Books, PO Box 2626, London N1 7SQ**

# Pakistan trade unionist victimised

The Pakistan postal authorities have launched a campaign of victimisation against Abdul Maroof Azad, general secretary of the Baluchistan region of the All Pakistan Postmaster General Employees Union (the CBA) and chairman of the Pakistan Trade Union Defence Campaign.

Abdul Maroof has been campaigning against corruption in the postal administration, and the authorities have tried to break him by registering five false cases against him in the labour courts. Now, however, they have gone further. When Abdul Maroof wrote his most recent letter outlining the corruption and illegal activities taking place, the Postmaster General, instead of initiating the necessary investigation, brought in the police registering a false claim of theft against Abdul. The police have now begun a campaign of harassment against Abdul and his family.

The employees of the postal service have been fighting the repressive and vindictive policies of the postal administration. We have on our side the force of labour. This

force will be most effective when organised without prejudice to the regional, ethnic and religious division, against all the anti-labour forces and bureaucracy.

In the interests of international solidarity we appeal to all labour organisations to write immediately letters of protest to stop the use of state repression against all active trade unionists and the use of the police against Abdul Maroof Azad.

We hope that labour organisations from around the world will intervene actively and support us against injustices and repression and show international labour solidarity. Our immediate demands are:

- Withdrawal of all charges against Mr Abdul Maroof Azad and stop police harassment against him
- Stop vindictive activities of the Postmaster General, Baluchistan, Quetta
- Accept the justified demands of the postal employees
- Stop the intervention of the postal administration in the affairs of the union.

Send protests to:  
The Director General  
Pakistan Post Office  
Islamabad  
Pakistan  
Fax: + 92 51 851848  
The Postmaster General  
Baluchistan  
Quetta  
Pakistan  
Fax: + 92 81 442193

Copies to:  
Nasir Ali  
General Secretary  
National Organisation of Postal  
Employees (NOPE)  
Pakistan (CBA) Balochistan  
Quetta Division  
Quetta  
Tel: + 92 81 9201399

and Pakistan Trade Union Defence  
Campaign, PO Box 6977,  
London N1 3JN



# Detroit strike in the balance

The newspaper strike in Detroit has taken a critical turn. The International leadership (a fancy title for the people who run things nationally) overseeing the six striking unions have made the newspaper bosses a new proposal to resolve the 20-month old strike: an unconditional return-to-work offer. This is an offer to return to work without any preconditions. Under such an offer, striking workers would go back to work without a contract. This return to work strategy was dubbed by union leaders as a "take back the plant" strategy.

by Rob Sewell

As we go to press the company have accepted the offer. They will start rehiring strikers as positions become available. "It's a new strategy and turning point," said Al Derey, secretary-treasurer of Teamsters Local 372 and chairman of the Metropolitan Council of Newspaper Unions. Largely in order to preserve the unity of those on strike, union members seem to have largely accepted the 'return-to-work' recommendation - although this was not unanimous. Many rank and file strikers openly disagree with this new tactic. The uncon-

ditional offer is frequently equated in workers' minds with the term 'surrender', because it entails calling off the strike without achieving new contracts. National leaders however have made it clear that the pressure on the company will not cease. Circulation and advertising boycotts will continue. To date, the strike has cost the papers 700,000 readers, 1,300 advertisers and losses of nearly \$300 million.

But members recalled the recent words of union leaders like AFL-CIO President John Sweeney, Vice President Richard Trumka and also Teamsters' leader Ron Carey, who pledged to win the strike in Detroit. An 'advisory' vote by striking printers in Detroit Typographical Union Local 18 overwhelmingly voted against the offer. But this and two other locals do not have the authority under their by-laws to go against a directive from above.

## Campaign

However, organisers of the campaign known as 'Shutdown Motown '97' stated their campaign would continue: "This strike isn't over, and until our striking brothers and sisters have contracts at the Detroit newspapers, there will be **"NO PEACE,"** said Kate DeSmet, a

striking Detroit News reporter. The National Labour Relations Board has said that if the company doesn't take everyone back at once, they will pursue a federal injunction, asking a judge to order the company to take everyone back. The company, on the other hand, has always maintained its wish to keep on the scabs; strikers will be placed on a recall list, and the company can bring them back in as positions become available or as they see fit. "When we get their offers, we will have to look at those offers", stated a company executive. So they will be able to pick and choose who returns. Newspaper executives made it clear they were in no hurry to take back any strikers.

In this event, the strikers can still fight for a new contract, and the company still has a duty to bargain. The Bridgestone/Firestone strikers went through a similar experience and after 2 years secured a victorious settlement and contract. But this is a gamble.

The return to work will however not cover the 300 or so strikers that have been fired by the company for so-called picket-line misconduct. They will have to appeal to the NLRB individually. As Scott Martelle who toured Britain last autumn put it, "Our friends Bob Ourlian, Al Lengel and the others who have been fired for picket line actions will not be rehired, the company has said. If the company accepts the offers, those strikers will be out unless they win individual appeals. Pretty fucking disgusting that a leadership is willing to hang out to dry people who fought the hardest and risked the most." That must surely stick in the throats of most workers in Detroit.

One way or another the strike is heading to its conclusion. We'll carry full details in next months Socialist Appeal.

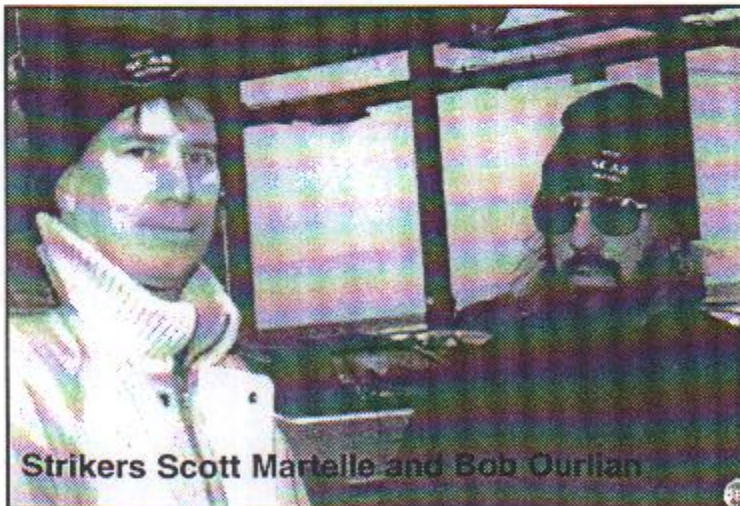
## US shop workers get organised!

CHICAGO — Retail workers at the Borders Books in Lincoln Park have voted in a union, the United Food and Commercial Workers Local 881. They are the first to get that far in an organising drive that has the potential to shake things up chain-wide.

Worker dissatisfaction at the recently opened Borders with less-than-livable wages was aggravated when a 4.5% pay raise was announced. Employee unrest was further fuelled when it was announced they were to be integrated with the health plan covering employees of Waldenbooks, which is owned by Borders. Premiums went up 23% for the average employee and as much as 73% for smokers.

As with managed-care health systems, cutting costs is ultimately the number one priority for the folks at Borders corporate headquarters. Management did everything they could to stamp out the union drive at the Lincoln Park store. A union-busting law firm was retained for the purpose. But sparks are flying in other cities.

Borders workers are poised to vote on unionising in Des Moines and Harrisburg. Union membership in the US is on the rise with \$20 million being used nationally for organising. The experience of the UFCW is no isolated example, but is being repeated in a whole number of areas.



Strikers Scott Martelle and Bob Ourlian



# ***New book launched by Wellred***

***Special pre-publication offer to our readers***

Following the very successful publication of *Reason in revolt* by Alan Woods and Ted Grant in 1995 - the first title in a publishing venture to promote and the ideas of Marxism - Wellred Publications have just announced the publication of a new book on Russia by Ted Grant this April.

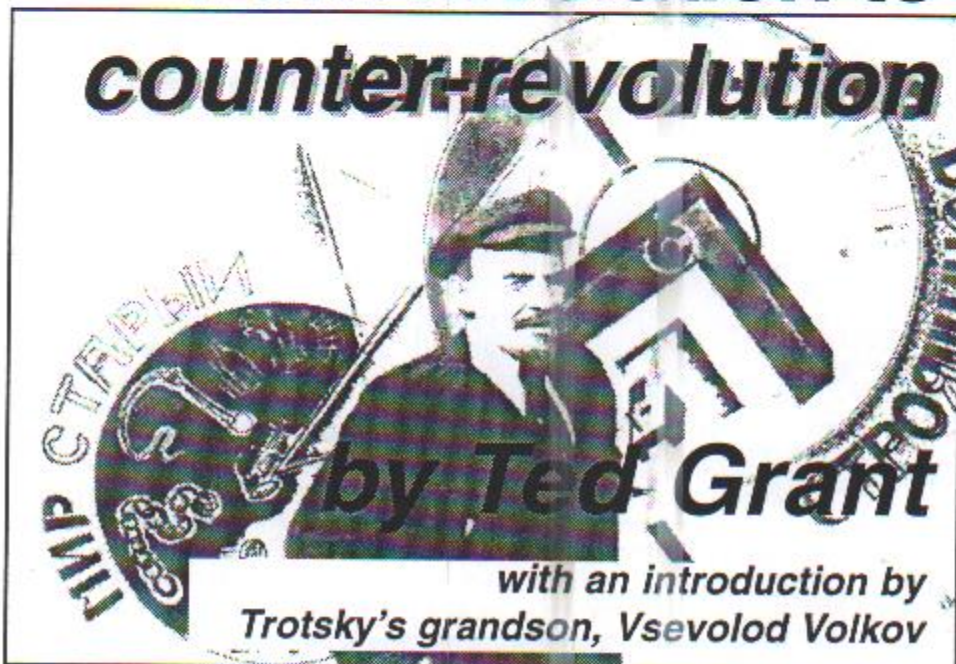
The book, which is in its final stages and will be approximately 500 pages long, covers the key developments in Russia since the Revolution right up to the present day. It is a unique book, tracing the elimination of workers' democracy, the rise of Stalinism, the advances of the planned economy and the eventual collapse of the bureaucratic system under Gorbachev. Using the method of Marxism, Ted Grant uncovers the contradictory developments that have shaped the Soviet Union over the last 70 years and finally led to its downfall. He also deals in details with the present situation in Russia under Yeltsin and assesses the possibility for a successful restoration of capitalism. Not since the publication of Trotsky's book *"Revolution Betrayed"* in 1936, has such a detailed and comprehensive Marxist study of Russia been undertaken.

This book is the culmination of over 50 years of analysis and research on the Russian Question by Ted, and draws upon all the key writings made by the author throughout that period which have long since been out of print. The book covers a defence of the Russian Revolution, the rise of Stalinism, the struggle of the Left Opposition, the Five Year Plans, the Great Purge Trials, Stalinism in the War, the death of Stalin and the rise of Khrushchev, 1956 and the crisis of post-War Stalinism, the ideas of Deutscher, the advances of the planned economy, the crisis under Brezhnev, Gorbachev's reforms, the 1991 Coup and the collapse of the USSR, Revolution and Counter-revolution in Eastern Europe, and Russia under Yeltsin. The National Question in the USSR and the evolution of Soviet foreign policy are also dealt with in detail. The book contains the latest facts and figures to back up Ted Grant's general analysis of the USSR. It takes up the false ideas of "state

# **Russia**

***from revolution to***

***counter-revolution***



capitalism" and provides a complete Marxist appraisal of the class nature of Russia, extensively drawing on the writings of Marx, Lenin and Trotsky.

Above all, the book is a comprehensive defence of the ideals of the October Revolution, given the unprecedented avalanche of lies and distortions by bourgeois and reformist commentators. It is hoped this book will have a big effect within the "Communist" Parties which are experiencing a widespread ferment and questioning within their ranks. It is not simply a "history", but a thorough explanation of Stalinism, which can serve to politically re-arm the new generation of militants and labour movement activists, who have been disorientated by the collapse of the Berlin Wall and the bourgeois ideological offensive against socialism.

Finally, the book deals with the perspectives for Russia in the period that lies ahead and looks at the prospects facing the mighty Russian working class.

According to Ted Grant: "This work, given the historic developments that are unfolding in Russia, is long overdue. The collapse of the regime has arisen from the bankruptcy and rotteness of Stalinism. But the Russian working class, who have remained passive up until now, have not spoken their first word, let alone their last. As soon as this mighty proletariat moves into action, the whole situation will be transformed. Once again, if we learn the lessons of history and above all Stalinism, the genuine ideas of Lenin and Trotsky will become a mass force and the genuine ideals of October can be reestablished."

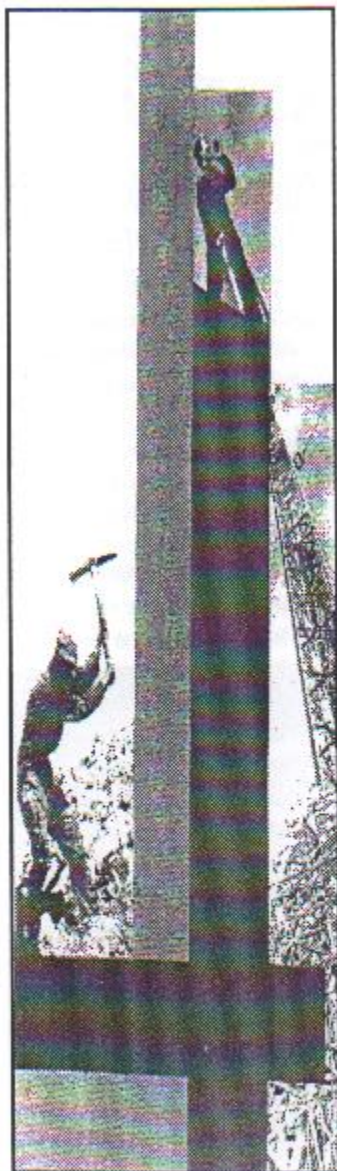
## **Special Pre-publication Offer!**

*Russia - from revolution to counter-revolution* by Ted Grant will be offered at the special reduced price to our readers of £12 including postage if you order the book before 1st April 1997. Order from Wellred Books, PO Box 2626, London N1 7SQ. Make cheques payable to Wellred.



## Interview with Lenin

*In October 1919 a Guardian correspondent, WT Goode, went to interview Lenin in the Kremlin. We reprint it today as an unusual and interesting reminder that although revolutions are great historical acts, they are made by real people in the real world...*



The interview with Lenin had been a matter of some difficulty to arrange; not because he is unapproachable — he goes about with as little external trappings or precautions as myself — but because his time is so precious. He, even more than the other Commissaries, is continuously at work. But at last I had secured a free moment and drove from my room, across the city, to one of the gates of the Kremlin.

I had taken the precaution at the beginning of my stay to secure a pass that set me free from any possible molestation from officials or police, and this gave me admission to the Kremlin enclosure. Entrance to the Kremlin is naturally guarded; it is the seat of the Executive Government; but the formalities are no more than have to be observed at Buckingham Palace or the House of Commons. A small wooden office beyond the bridge, where a civilian grants passes, and a few soldiers, ordinary Russian soldiers, one of whom receives and verifies the pass, were all there was to be seen at this entrance. It

is always said that Lenin is guarded by Chinese. There were no Chinese here.

I entered, mounted the hill, and drove across to the building where Lenin lives, in the direction of the large platform where formerly stood the Alexander statue, now removed. At the foot of the staircase were two more soldiers, Russian youths, but still no Chinese. I went up by a lift to the top floor, where I found two other young Russian soldiers, but no Chinese, nor in any of the three visits which I paid to the Kremlin did I see any.

I hung up my hat and coat in the ante-chamber, passed through a room in which clerks were at work, and entered the room in which the Executive Committee of the Council of People's Commissaries holds its meetings — in other words, the Council Chamber of the Cabinet of the Soviet Republic. I had kept my appointment strictly to time, and my companion passed on (rooms in Russia are always en suite) to let Lenin know that I had arrived. I then followed into the room in which Lenin works and waited a minute for his coming. Here let me say that there is no magnificence about this suite of rooms. They are well and solidly furnished; the Council Chamber is admirably arranged for its purpose, but everything is simple, and there is an atmosphere of hard work about everything. Of the meretricious splendour I had heard so much there is not a

trace.

I had but the time to make these observations, mentally, when Lenin entered the room. He is a man of middle height, about fifty years old, active, and well proportioned. His features, at first sight, seem to have a slight Chinese cast, and his hair and pointed beard have a ruddy brown tinge. The head is well domed, and his brow broad and well raised. He has a pleasant expression in talking, and indeed his manner can be described as distinctly prepossessing. He speaks clearly in a well modulated voice, and throughout the interview he never hesitated or betrayed the slightest confusion. Indeed, the one clearly cut impression he left on one was that here was a clear, cold brain, a man absolutely master of himself and of his subject, expressing himself with a lucidity that was as startling as it was refreshing.

My companion had seated himself on the other side of the table to act as interpreter in case of need; he was not wanted. After a word of introduction I asked what I should speak, French or German. He replied that if I did not object he would prefer to speak in English, and that if I would only speak clearly and slowly he would be able to follow everything. I agreed, and he was as good as his word, for only once during the three-quarters of an hour that the meeting lasted did he stumble at a word, and then only for an instant; he had seized me meaning almost immediately.

### The questions

I ought to state here that the thought of the interview had engaged me from the moment I had entered Russia. There were so many things I wanted to know, scores of questions occurred to me, and to secure the answers I longed to have would have required a discursive talk of hours had I begun my task with this interview. But by leaving it to the last my month's work had brought the answer to many of the ques-



tions, and others had been settled by the radiographic interview submitted from Lyons by a combination of American journalists. It behoved me therefore to utilise to the best advantage the time rigidly apportioned to me, wedged in between two important meetings. I had therefore reduced all my curiosity to three questions, to which the authoritative answers could be given only by Lenin himself, the head of the Government of the Soviet Republic. He knew quite well who I was; he did not know what I wanted. There could therefore be no question of preparation as far as he was concerned.

I had spoken of my questions to only one man, the commissary who accompanied me, and he became very depressed and gave it as his opinion that Lenin would not answer them. To his unfeigned astonishment, the questions were answered promptly, simply and decisively, and when the interview was ended my companion naively expressed his wonderment.

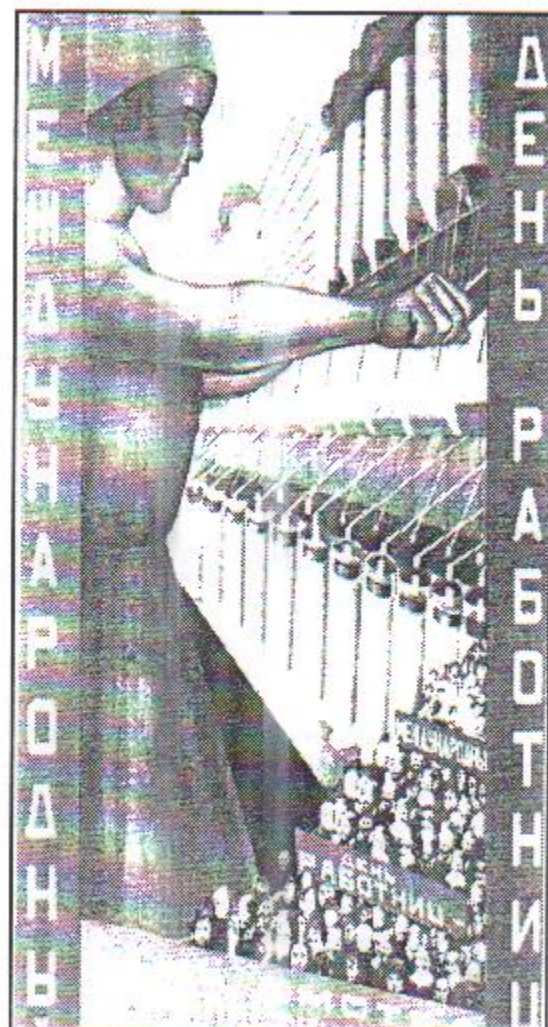
The guidance of the interview was left to me. I began at once. I wanted to know how far the proposals which Mr Bullitt took to the Conference at Paris still held good. Lenin replied that they still held good, with such modifications as the changing military situation might indicate. Later he added that in the agreement with Bullitt it had been stated that the changing military situation might bring in alterations. Continuing, he said that Bullitt was unable to understand the strength of British and American capitalism, but that if Bullitt were President of the United States peace

would soon be made. Then I took up again the thread by asking what was the attitude of the Soviet Republic to the small nations who had split off the Russian Empire and had proclaimed their independence. He replied that Finland's independence had been recognised in November, 1917; that he (Lenin) had personally handed to Swinhufrod, then head of the Finnish Republic, the paper on which this recognition was officially stated; that the Soviet Republic had announced some time previously that no soldiers of the Soviet Republic would cross the frontier with arms in their hands; that the Soviet Republic had decided to create a neutral strip or zone between their territory and Esthonia, and would declare this publicly; that it was their principle to recognise the independence of all small nations, and that finally they had just recognised the independence of the Bashkir Republic — and, he added, the Bashkir are a weak and backward people.

### Propaganda

For the third time I took up the questioning, asking what guarantees could be offered against official propaganda among the Western peoples, if by any chance relations with the Soviet Republic were opened. His reply was that they had declared to Bullitt that they were ready to sign an agreement not to make official propaganda. As a Government they were ready to undertake that no official propaganda should take place. If private persons undertook propaganda they would do

it at their own risk and be amenable to the laws of the country in which they acted. Russia has no laws, he said, against propaganda by British people. England has such laws; therefore Russia is the more liberal-minded. They would permit, he said, The British, or French, or American Government to carry out propaganda of their own. He cried out against the Defence of the Realm Act, and, as for freedom of the press in France, he declared that he had just been reading Henri Barbusse's novel "Clarte" in which there were two censored patches. "They censor novels in free, democratic France?" I asked if he had any general statement to make, upon which he replied that the most important thing for him to say was that the Soviet system is the best, and that English workers and agricultural labourers would accept it if they knew it. He hoped that after peace the British Government would not prohibit the publication of the Soviet Constitution. That, morally, the Soviet system is even now victorious, and that the [proof of this statement is seen in the persecution of Soviet literature in free, democratic countries. My allotted time had expired, and, knowing that he was needed elsewhere, I rose and thanked him, and making my way back though Council Chamber and clerks' room to the stair and courtyard, where were the young Russian guards, I picked up my droshky and drove back to my room to think over my meeting with Vladimir Ulianoff.





# Labour in government

Barbara Humphries continues her series on the history of the Labour Party with a look at the experience of the first two Labour governments.

In 1918 Labour had become the second largest party in Parliament, replacing the Liberals as the main opposition. Within six years it was to be in government. After just over twenty years of existence it had changed the face of British politics, which was no longer a 'gentlemanly' affair between the Liberals and Tories.

In 1911 Labour received 400,000 votes. By 1923 this had jumped to four and a half million. This was because of the class roots of the Labour Party. There have been many other attempts by parties of all political colours to break the two party system in Britain this century, but they have failed because in the end they had no firm basis in a particular class in society. Look at the words of one of the most radical and foresighted representatives of

the ruling class in the 1920s - Lloyd George who had led the wartime coalition government:

*"The new danger was known as socialism in Germany, Bolshevism in Russia. In Britain it is the Labour Party which strives for the collective ownership of the means of production. For the Liberals this is unacceptable in principle, as the Liberals are for private property. Civilisation is in jeopardy, the Liberals and the Tories must unite." He added "...in France the population is agricultural and you have a solid body of opinion which does not move rapidly and which is not easily excited by revolutionary movements. That is not the case here. This country is more top heavy than any other country in the world and if it begins to rock, the crash here for that reason will be greater than in any other land."*

The Labour Party had adopted in 1918 its programme

'Labour and the Nation' which expressed the aspirations of the rank and file of the party. It called for a minimum wage, a 48 hour week, a million new houses within two years, with capital supplied free of interest from the government, a public owned and integrated transport system, public ownership of key industries and land, a wealth tax, and a vast increase in public services. It called above all for full employment which could be achieved by public works carried out by local authorities. Labour stated that its aims were fundamentally different to the two capitalist parties.

## Assumption

However the assumption behind its programme was that these were social reforms which were in the interests of the community and could be supported by any foresighted person. But not by the British ruling class. Once the capitalists and financiers had consolidated their power in the aftermath of war, all wartime controls were abandoned, prices went up and employers demanded longer hours and lower wages. It was back to all-out class war as usual. The leadership of the labour movement having lost its advantageous position in 1918 was put on to the defensive and all the main sections of the working class suffered defeats and cuts by 1921. The Triple Alliance forged to support the miners, dockers and transport workers collapsed on Black

Friday in 1921 when it failed to support the miners who were faced with pay cuts. At the end of 1923 an election was called which did not give Labour an overall majority. The vote was 5,500,000 votes for the Tories, 4,350,000 for Labour and 4,300,000 for the Liberals. The Tory leader, Baldwin tried to form a government at the instigation of the King was brought down by the combined Labour and Liberal vote.

The King then sent for Ramsay MacDonald to form the first minority Labour government. In this situation the Monarchy was of key political importance, not just a source of revenue from tourism or entertaining divorce sex scandals. The Privy Council advised the King that Labour should be given a chance. Individuals like Ramsay MacDonald and Philip Snowden were seen as trustworthy statesmen. Their failure to implement their programme would suitably demoralise the labour movement and teach the workers a lesson. Such was the confident arrogance of the British ruling class at the time. They knew that the leaders of the Labour Party would not use their spell in office to appeal for support for their programme. The programme would be abandoned on the basis that there was no overall majority for Labour. Members of opposition parties were invited to take part in the Cabinet of Ramsay MacDonald. He had more faith in representatives of the Liberals than he did in his own Party. The only left-winger to be appointed to the Labour Cabinet was John Wheatley, a Clydeside MP and member of the Independent Labour Party. In fact as Minister for Health he was responsible for the only success story of the first Labour Government, a programme of public housing. This first minority Labour Government faced the trickery and deceit of the ruling class. MacDonald's attempts to recognise Soviet Russia and open trade negotiations (a rational step in the interests of the capitalists themselves) provoked cartoons





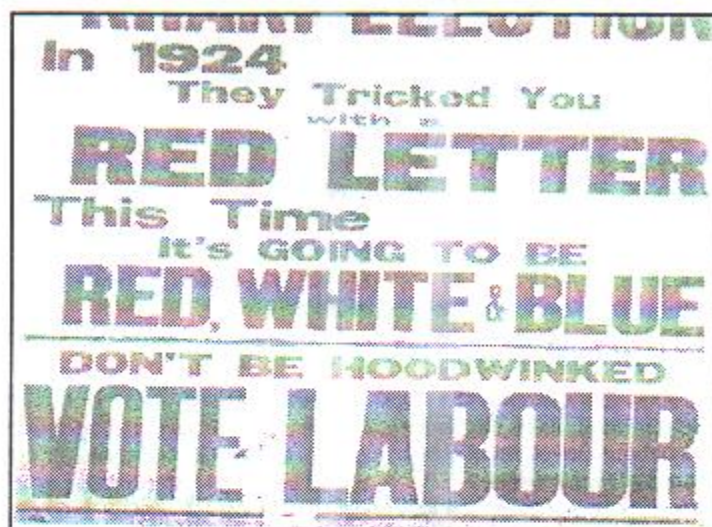
depicting him selling the country to the Bolsheviks! The Labour Government was actually brought down by the Campbell prosecution. The Labour attorney general decided to prosecute the Communist J.R. Campbell for a class appeal which he had made to the troops, not to fire on strikers. The charge of sedition was dropped for the reason that there was no evidence - and so was the Labour Government. The campaign was sealed with the infamous Zinoviev letter forgery, which the ruling class used to 'prove' Labour was in the pay of the Communists! Incredibly this piece of fiction was used by the Tory press to conduct a campaign against the Labour Party on the grounds that it was controlled by Bolsheviks. Parliamentary politics was not as some of the Labour leaders imagined, a game of cricket where each side played by the rules. MacDonald might have imagined himself to be a 'gentleman' but his opponents were not. It is almost 18 years since we had a Labour Government in office and it is hard to remember just how vitriolic the Tory Press is capable of being. Blair is even less prepared for this than Ramsay MacDonald was in 1924. The Labour Party today is more vulnerable, not only having learned nothing from history but also being more dependent on the mass media than ever before. Labour can only combat the power of the Tory media by being able to appeal over its head to the working class movement. Blair believes that the movement counts for nothing and the press everything. This will leave a Labour Government vulnerable to every whim of the Tory editors of the press. So the first Labour Government was cast off by the British ruling class in the fine traditions of democracy! But the labour movement had not been destroyed. In fact the Labour vote increased by a million votes at the general election. But the Tories under Baldwin used the period of Labour Government to rebuild their position and to forge ahead with the vicious anti-working class policies which were to lead to the General Strike of 1926.

In the aftermath of the defeat of the General Strike the Tories

made attacks on the rights of trade unionists and the funds of the Labour Party itself. Affiliated trade unionists now had to opt in to pay the political levy to the Labour Party rather than opting out. Secondary industrial action was made illegal. Defeat on the industrial field led the working class to look to the election again of a Labour Government. The defeat of the General Strike had led to the complete severance of any links between the Labour Party and the Communist Party, as the Left-Wing Movement, a movement of constituency parties sympathetic to the CP was effectively proscribed and constituency parties disaffiliated. However opposition within the Labour Party to the leadership of Ramsay MacDonald came from the Independent Labour Party which still had an independent existence and how became a focal point for the left of the party. The Cook-Maxton manifesto - 'Socialism in our time' embraced the strategy of the 'the living wage' as a way of overcoming unemployment. This was an alternative to the Government's policy of cutting wages and increasing hours as a solution to the crisis of British capitalism.

### Manifesto

Many points from the Maxton-Cook Manifesto were taken on board by the official Labour policy document, published in 1927 entitled Labour and the Nation. It asserted that "The Labour Party unlike other parties is not concerned with patching the rents in the a bad system but with transforming capitalism into socialism." It was a 50 page document covering public ownership, unemployment pay, working hours, the break up of the poor laws and a surtax on incomes of over £500 per year. Labour's philosophy was that socialism was inevitable because it was more just, more rational and more progressive than capitalism. Its members were fully committed to transforming society. For many socialism was like a religion. Their whole lives evolved around the Labour Party. They not only attended political discussions and open air meetings on a weekly basis, but they may have been involved in socialist choirs, drama groups, rambling and cycling clubs. Their chil-



dren attended socialist Sunday Schools and in some areas there were even 'socialist naming ceremonies' to replace christening ceremonies for children! This was how the movement prepared for the 'new Jerusalem,' which would inevitably arrive because capitalism was doomed. However the experience of the Labour leadership in government was to face up to a crisis of capitalism which it was to be called upon to deal with in an orthodox way. It was not prepared to use the crisis to implement socialism, using its minority position as an excuse. Labour had a political programme but when in government resorted to economic orthodoxy. The socialist aspirations of the rank and file of the movement were completely discarded. On May 30th 1929 the second minority government was elected to office. Labour won over 8 million votes and 288 seats, and was the largest party in the House. However the Tory and Liberal votes combined were over 13 million, 319 seats. Again Labour was dependent upon the goodwill of the Liberals. This minority government was questioned by left-wingers who said that Labour should not have taken office in those conditions. John Wheatley predicted the humiliation of the Labour Party if it carried out cuts in wages and the incomes of the unemployed. But the government was dominated by Ramsay MacDonald and his Chancellor of the Exchequer, the orthodox Philip Snowden. Churchill had this to say of the Labour Government: "I am glad to see old Parliamentarians whom I have known for a quarter of a centu-

ry, and who have played so distinguished a part in our proceedings, having at least their share in the responsibilities of government and testing what are called by those who have not long experienced them 'the sweets of office.' I look forward to having the Financial Secretary to the Treasury deliver us a clear exposition of the gold standard and the solid advantages which it will counter upon the country, and generally to defend orthodox financial matters. No doubt the Financial Secretary will be able to do this when his education by Treasury Officials, the Bank of England and the high financial authorities of the City of London have been completed."

### Disruption

Macdonald was determined that the government was to be controlled by the big five - Macdonald, Snowden, Henderson, Thomas and Clynes. There would be no early general election as the country could not face further disruption. Wheatley was left out of the Cabinet this time. He was given a job in the Ministry of Works where, according to Snowden "he could do a good many small things without the opportunity for squandering money."

The Labour Government of 1929-31 carried out a few reforms - a contributory pension scheme was started, slum clearance started, agricultural marketing boards set up, and public regulation introduced for road transport. Not very much of Labour and the Nation in any of this! The repeal of the Trades Union Act of 1927, and the raising of the school leaving age to 15 were measures



destroyed by the House of Lords. Employers continued with their offensive to cut wages. The rest of the life of the government was to be dominated by the Wall Street Crash of 1929.

The Wall Street Crash of 1929 was the prelude to the greatest slump in history. By 1931 a quarter of the American workforce was unemployed. Seven million were unemployed in Germany. Unemployment in Britain doubled under the 1929-1931 Labour Government. The government endorsed the employers' efforts to reduce living standards and even introduced an Anomalies Bill which meant that 300,000 of the unemployed would have their benefits cut. But this was not enough for the bankers and in the summer of 1931 a committee was set up to deal with 'the unemployment problem.' Called the May Committee (it was headed by Sir George May, former head of the Prudential Insurance Company it comprised five industrialists and two trade unionists. It reported in July 1931, recommending cuts in government expenditure including a 15% cut in teachers pay, 25% in service pay and a 20% reduction in unemployment benefit. The trade unionists dissented but were largely ignored. The May Committee pointed out that there would be a budget deficit of £140 million and recommended that £67 million of cuts be made. The bulk of these cuts were to fall on the unemployed. MacDonald and Snowden as supporters of financial orthodoxy called for the budget to be balanced. The deficit itself had been caused by rising unemployment as a result of the Wall Street crash.

Balancing the budget meant that the workers, and particularly the unemployed were to be made to pay for the crisis of capitalism. Alternatives to this policy were discussed by radical economists, Keynesians at the time but were disregarded by Snowden who wholly upheld the position of the Bank of England.

### Pound

The report of the May Committee coincided with a run on the pound. Gold was being lost at the rate of £2.5 million a day. Again the Labour Government did not challenge the wisdom of Britain remaining on the gold standard, which committed the government to a fixed exchange rate, rather like the ERM. The crisis came to a head in August 1931 with demands from the Bank of England that the government take action to satisfy international financiers. The right wing dominated Labour Cabinet met and agreed substantial cuts. However when it became clear that these would be opposed by the TUC, some MPs such as Henderson and Clynes began to have doubts. Nevertheless cuts of £56 million were agreed unanimously by the Cabinet including £36 million off the dole. When the TUC expressed its opposition, they were described as 'pigs' by Beatrice Webb. But these cuts were not enough for the bankers and the Tories and Liberals who demanded a further £25 million cuts. A loan from the New York Reserve Bank would only be forthcoming if there was confidence that the government was carrying out cuts. Further cuts were agreed by the Cabinet, but only by 11 to 9. There was

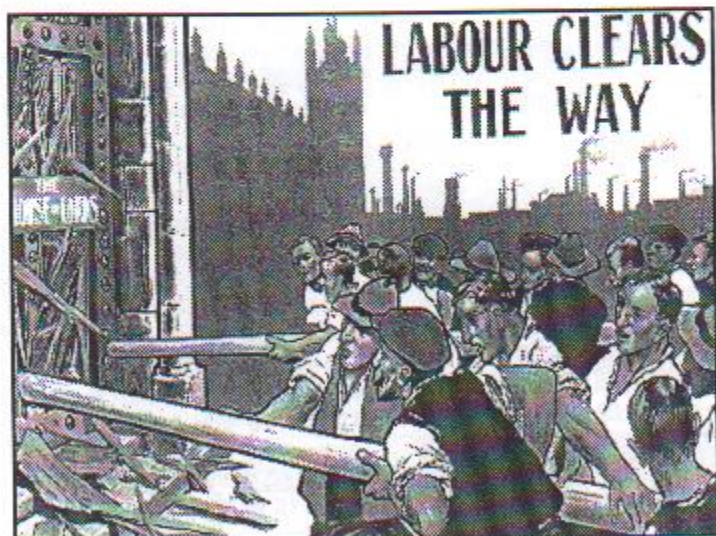
significant opposition from some Ministers and from the TUC.

Seeing that government support for these cuts would not be forthcoming, Macdonald then asked for the resignation of his ministers and went to the King. It was there and at a secret meeting with opposition leaders that he was 'advised' not to resign but to form a National Government. He returned to an astonished Labour Cabinet to tell them that they were sacked and that he would be leading a government in which the leader of the Tory Party, Baldwin would be the deputy. Only three Labour ministers, including Snowden agreed to follow him. This act of trickery ended the second Labour government. It was a coup, British style, again illustrating the complete arrogance of the British ruling class in its attitude towards democracy. A Labour Government had its programme dictated to by the bankers and the leaders of the capitalist parties. When it seemed to be incapable of carrying out the programme the Monarchy was called upon to remove it from office. MacDonald has gone down in the history of the labour movement, as a traitor, who allowed a Labour Government to be brought down by a bankers' conspiracy. In reflection however we might ask why the tactic of a National Government was used when the Labour Cabinet had been prepared to carry out most of the cuts. The National Government was only to make a further £20 million cuts when it drew up its budget and the gold standard was subsequently abandoned. Financial orthodoxy was gradually to become a thing of the past for all governments in the 1930s as the idea that 'you could spend your way out of a recession' became acceptable, and made theoretically respectable by Keynes. This was championed in the USA by the politics of the New Deal and by an incoming Social Democratic government in Sweden. But the British ruling class was exceptionally reactionary. It can be argued that at least part of the motive for the splitting of the Labour Party and the setting up of a National Government was political. It was a device to demoralise the labour movement and to set it

back for a decade. As Ramsay MacDonald boasted that 'every duchess in London will be wanting to kiss me,' the Labour Party expressed defiance and credibility was returned to right wingers such as Henderson who stayed with the Party. The National Government immediately called an election in which it won an overall victory, 554 seats (14,532,519 votes) to Labour's 52 seats (6,649,639 votes). It was an hysterical election campaign with Macdonald claiming that Labour was a sectional, not a national party, and former Cabinet colleagues such as Henderson were 'Bolsheviks run mad.' Middle class voters were told that Labour would use their post office savings to give more money to those on the dole.

### Defeat

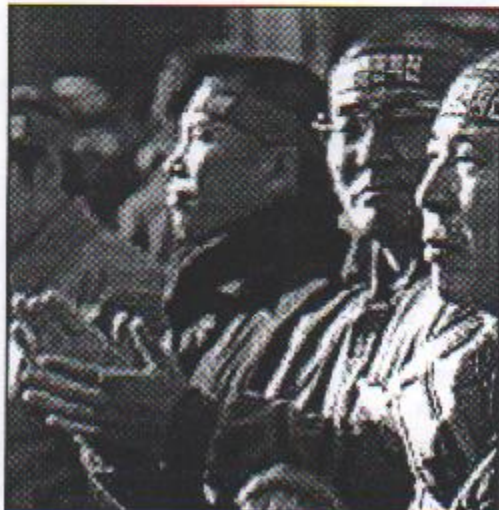
Although the election was a defeat for Labour, the National Government taking 70% of the vote, and Labour was decimated in Parliament, its vote from the high point of 1929 only fell from 8.3 million to 6.6 million. The Tories and Liberals combined for electoral purposes to defeat Labour. Working class voters stayed with the Labour Party. The small proportion of Labour MPs meant that the position of the trade unions within the Party was strengthened, with unions like the Miners' Federation sponsoring a high percentage of MPs. Labour had now been defeated on the industrial and political front. But it fought back in a 'Call to Action' campaign calling 2,000 local demonstrations and issuing 3 million leaflets against the 'Bankers conspiracy.' Labour was not to be elected to government for over ten years in the 'lost decade' of the 1930s, characterised by mass unemployment, hunger marches and the threat of fascism both at home and abroad. The labour movement must learn the lessons of the 1929-1931 Labour Government. They show who really holds power, the bankers and industrialists who control the economy, backed up by institutions such as the Monarchy. In the 1930s the Tories believed that they alone had the right to govern. Why this was the case will be looked at in the next article on Labour in the 1930s.





# a socialist programme for Labour

- Get the Tories out. A Labour government must adopt socialist policies that can really answer the needs and aspirations of working people.
- For full employment. No redundancies. The right to a job or decent benefits - abolish the JSA. An immediate introduction of a 32 hour week without loss of pay. No compulsory overtime. Reduction of the age of retirement to 55 with a decent full pension for all.
- A national minimum wage of at least two-thirds of the average wage. Support for £4.26 per hour as an immediate step toward this goal.
- Repeal all the Tories anti-union legislation. Full rights for all workers from day one of their employment. For the right to strike and the right to union representation and collective bargaining. Stop casualisation. Part time work only for those who want it. End the zero-hours contract scandal.
- Restore and expand all health and safety safeguards under the control and direction of the trade unions. Reverse the Tories privatisation strategy. Renationalise all the privatised industries and utilities with minimum compensation according to need - not on the market price of shares.
- Reverse all the cuts in the health service. End the trusts and the internal market. Abolish private health care. A properly funded health service must be available to all. Nationalisation of the big drug companies that squeeze their profits out of the health of working people.
- Return education to real democratic control through the local authorities. For a fully funded and resourced, fully comprehensive education system. Scrap Grant Maintained Schools. Abolish private education. End SATS. No to streaming or selection. No to voucher schemes. A guaranteed nursery place for all 3 and 4 year olds.
- For a properly funded extension of higher education. No to student loans - for a decent living grant for all over 16. For the development of a programme of lifelong education, with properly paid leave for workers wanting to re-train, develop new skills, or enhance their existing qualifications. A guaranteed job, apprenticeship or place in further/higher education for all young people.
- Solve Britain's chronic housing crisis! Labour should develop a programme of quality house building and renovation, with strict rent controls, that can rapidly tackle the problems of slum housing and homelessness. Nationalise the building companies!
- Restore proper democratic local government. Restore local authority budgets to pre-1979 levels in real terms. Scrap CCT.
- For a programme of investment to create a cheap, nationally integrated, publically owned transport system. Renationalise the railways.
- Outlaw all forms of discrimination. Equal pay for equal work. The development of quality childcare facilities available to all. Scrap all racist immigration and asylum controls. Abolish the Criminal Justice Act and other repressive legislation.
- The environmental question is primarily a question about big business. It is big business that pollutes our air, water and land. It is big business that poisons our food. Labour must bring in stringent environmental controls and regulations under the supervision of the relevant workforces, consumers and representatives of effected communities. These measures, along with nationalisation of the land, the big petrochemical enterprises and the major food companies, can form the basis of a genuine socialist approach to the environment.
- Big cuts in military spending and a planned transfer of resources to useful, peaceful purposes.
- Abolish the Monarchy and the House of Lords. Establish parliaments in Scotland and Wales, with real powers to tackle their chronic social and economic problems.
- For real internationalism. No to the bosses European Union. Yes to a socialist united states of Europe, as part of a world socialist federation.
- Labour must immediately take over the "commanding heights of the economy." Nationalise the big monopolies, the 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.



## Join us in the fight for socialism!

Socialist Appeal supporters will be in the forefront of fighting to get the Tories out and a Labour government elected. We are also campaigning on the above programme as the only solution for working people. Why not join us in this fight? For more details:

Name.....

Address.....

.....tel.....

return to: Socialist Appeal, PO Box 2626, London N1 7SQ



# socialist appeal

The Marxist voice of the labour movement



# Tony sell-off scandal

**Rail Privatisation: what a winner—for the bosses that is! For the rest of us it has become a never ending saga of cancelled trains and rip-off fares.**

The sell-offs have brought massive windfalls for the new owners at the expense of staff and rail users. In the latest scandal Eversholt Leasing is expected to be resold for £900 million, just a year after the Tories flogged it off from British Rail for just £580 million.

## Reward

The Managing Director is set to get a £20 million reward in return for his initial layout of an estimated £110,000. This case is not isolated. Another leasing company, Porterbrook, was resold to Stagecoach for £825 million after being privatised for £527 million. In other words the Tories flogged these national assets off at a dead cheap price so that their pals in the City could make a killing. Incredibly these firms still

enjoy a public subsidy on top of everything else. For the rest of us, privatisation has brought quite a different reward. The rail system has been turned into a chaotic



mess of clashing services, conflicting timetables and contradictory fares. Accusations have been made that passengers are consistently being ripped off by not being offered the best fare available. The situation over South West Trains, owned by Stagecoach, is just the first to surface. Here we see an example of the farsightedness of capital. Having engineered

a situation where drivers have been "lost" (i.e. sacked), they are now unable to meet the service levels. All that they have been threatened with is a fine! The whole transport

to the bank. Now the Tories want to privatise the London Underground network. Talk about adding insult to injury. They have starved the service of cash for years and years. Now we have the position where important projects have been delayed or cancelled and essential repair and maintenance work cut to the bone.

## Delays

This will mean even longer delays and cancellations as problems arise which require action which could have been avoided if the work had been done. Needless to say, safety concerns must enter into a situation where London is being serviced by a increasingly ancient and worn out system. And now the Tories want it to become another source of cheap profits at our expense! It is time that the Tories and their rip-off schemes were washed down the tube and we had a decent publicly owned and controlled integrated transport system for the whole country.

system should be taken back into public ownership without delay by the incoming Labour government—and without compensation. These profiteers have been given enough of our cash. Talk of extra controls and regulation will not do. The situation with South West Trains may be an embarrassment but at the end of the day Stagecoach are still laughing all the way

Labour to power on a socialist programme