

# Workers power

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Socialism, Internationalism, Revolution

British Section of the League for a Revolutionary Communist International

December 1997 ★ 50p



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# A SACK FULL OF BROKEN PROMISES



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## Hackney Schools

## Labour's blunders

**E**DUCATION SECRETARY Blunkett, his sidekick Stephen Byers and Labour leader Tony Blair thought they had an easy target. In their drive to justify a two-tier education system what better target than schools in Hackney, London – Britain's poorest borough?

Hackney would demonstrate how appalling "progressive" teachers were, what a failure comprehensive education was and how mixed ability teaching couldn't work.

As part of their "naming and shaming", they named Morningside Primary School as a failing school.

**Slammed**

But now their own league tables have given Morningside glowing reports. When the school's head teacher slammed the naming and shaming tactics in the press Blunkett denounced her as an "hysterical" woman!

The whole saga of Hackney's treatment by the Labour government shows that Labour picked the borough as a scapegoat to distract attention from its



Blunkett sent in a hit squad to 'sort out' Hackney schools. Their only recommendation so far is to appoint a new Director of Education and pay them a large salary.

failure to spend more money on our children's education.

First they sent inspectors into Hackney. The inspectors wrote a report with detailed statistics on poverty levels,

numbers of refugees, numbers of kids on free school dinners. But the report failed to mention that education spending has been cut year on year for as long as anyone can remember.

Next they sent in a five-person hit squad to sort out Hackney's schools. The solution they came up with was to advertise for a new Director of Education and promise to pay him or her lots of money. But no more money for the children's books and equipment.

Then the school league tables put two Hackney secondary schools at the top – in terms of growth in GCSEs gained – and in the top ten according to new calculations based on "value added". League tables are a problem in terms of actual evidence of achievement. But since Blair and Blunkett like them, they will also have to lump them.

Things haven't quite turned out the way the government expected. But teachers, parents and students in Hackney cannot afford to feel safe. The intervention of Blunkett and co into

education in Hackney was never really about raising standards.

Their task has been to blame teachers and anyone else for problems in education. They don't want to recognise that cutting resources means cutting down the chances of working class children getting a good education. That is because they have no intention of getting their rich friends to pay higher taxes to properly fund state education.

In 1998 the government will put in place legislation that will enable it to take control of education away from local government. If they encounter resistance from local councils in imposing cuts in education they will have a very large stick with which to beat them into line.

**Failure**

It is true that many of the problems in Hackney schools have been created by the appalling mismanagement of the local education authority. But a take-over of control by central government is not the solution: it would be a step backwards. Despite its failure to adequately resource education, and some disastrous decisions in terms of management, at least Hackney Council is accountable to the local electorate to some extent.

Workers Power believes that education should be under the control of teachers, parents, students, other education workers and the local working class.

In response to the Hackney inspection, we call for an alternative inspection, run by those who have a real interest in education in Hackney – school students, teachers and education workers, parents and the local working class community.

If the local working class controlled education in Hackney, we could ensure that our schools did not fail the children of Hackney.

We could decide what was taught in school, how many should be in a class, what kind of teaching methods worked best. Above all we could fight together for the money needed to ensure all Hackney school students receive the education they need. ■

## Schools' League Tables

## Valuing competition

**N**OVEMBER SAW the publication of the Government's league tables for schools. This year has also seen the "value added" version, published in the *Observer*.

This takes into account a number of factors that can affect school performance. These include the number of children entitled to free school meals, as a poverty indicator, and the number of children who don't speak English as their first language. Then, by a complicated formula, the relative success of different schools can be compared.

While many have welcomed this apparently fairer system, it is based on the same attitudes to education that underpin the league tables introduced by the Tories. The value added version also rests on prejudice against working class children.

Valued added tables, like the old crude version, are designed to say one school is better than another based on examination results. The tables foster competition rather than collaboration between schools and encourage the scramble for scarce resources under the Local Management of Schools system. The effects are far-reaching. The

increase in expulsions is one result: schools are keen to get rid of difficult students, and try to encourage them to move elsewhere.

Selection is still on the increase. Despite his assurances, Education Secretary David Blunkett has continued to allow grammar schools and opted-out schools to select their intake, leaving other schools to cope with those branded less able. Labour intends to encourage specialist schools – technology, arts or language schools – further undermining the idea of comprehensive education and giving a boost to selection by aptitude. Children are treated not as individual learners, but as potential contributors to future league table results.

Exam obsession is increasingly part of school culture. Students who may not be particularly academic are forced into taking exams or else written off. Because the tables are based on exam passes between grades A-C in GCSEs, some who are likely to get less than a C are not to be entered for the exam at all. Education is becoming a means to the end of exam pass stardom for school head teachers.

The value added version has some advantages. Islington Green school in

London, for example – the school Tony Blair rejected for his son after it was failed by OFSTED inspectors – came out as one of the best schools under the new system. Islington Green also proves what many teachers think about OFSTED inspectors: they know so little about education that any school they fail must be doing something right.

The value added version also adds weight to the argument that comprehensive schools can and do work.

But despite its unexpected usefulness in debunking some of the myths, the value added table remains fundamentally flawed. It does not take into account factors such as how much money is spent on each child, or class sizes – real indicators which can highlight inequality in education. It does recognise that middle class kids are generally more successful than working class kids; but the assumption appears to be that if a child is on free school dinners then they must be stupid and any school which gets them through GCSEs deserves credit.

Being poor does not stop you being clever. What threatens educational achievement is poor facilities, large classes and overworked teachers. ■

## Drop the charges, no extradition

## Free Roisin McAliskey!

**R**OISIN McALISKEY was arrested more than a year ago, on 20 November 1996, at her home in Coalisland, Northern Ireland. She has been convicted of no crime, but she has spent the year in Holloway prison and, since the birth of her child, in a hospital secure unit.

Roisin is accused of participating in the mortar bomb attack on an army barracks in Osnabruck, Germany in June 1996. The German authorities, at the instigation of the RUC, are seeking her extradition to Germany to face trial for the bombing. They intend to proceed with the case, despite the fact that legal experts – including ex-US Attorney General Ramsey Clark – have examined the evidence and declared it to be "non-existent". Four eyewitnesses

in Germany have also said that Roisin is not the woman they identified at the scene.

A picket was held on the anniversary of Roisin's arrest outside the Home Office to protest against her continued imprisonment. During the same month the media was full of demands for justice: but they were calling for justice for Louise Woodward, an English nanny tried by an American court. No one in the press raised the call for justice for Roisin, an Irish woman locked up by the British state and treated with a brutality typical of that state.

Roisin has been targeted by the British state because she is a Republican and the daughter of the left nationalist former MP for Mid-Ulster,

Bernadette Devlin McAliskey, who has dared to speak out against the peace process as a potential sell out.

Since the birth of her daughter Loimnit, in May, Roisin has been in a secure unit in a psychiatric hospital suffering from post-natal depression. She has suffered psychological effects following her six days of interrogation whilst pregnant, and constant ill-treatment, including numerous strip searches, during her imprisonment in Holloway. The campaign to release Roisin is determined to fight for her release. They are calling on supporters to write to Home Secretary Jack Straw demanding her release. You can also write to the German Ambassador, 25 Belgrave Square, London SW1, demanding all charges are dropped. ■

## Defence spending

## Counting the cost of Trident

**A** MAJORITY of the population want to scrap Trident – Britain's nuclear missile system – according to a recent Gallup poll. Most see Trident, which will cost us over £30 billion, as a total waste of money.

Will Blair listen to the people? In its manifesto the Labour Party committed itself to the "global elimination of nuclear weapons". Within a month

of being elected Labour's new defence minister George Robertson made a commitment to maintain "our national nuclear deterrent".

Even if Labour kept Trident but reduced overall defence spending to the average spent by other European NATO countries, they could save £5.7 billion. That is enough to maintain low interest rates, cut NHS waiting lists, reduce class sizes and still have enough left over to give the Liverpool dockers their jobs back at Christmas.

But clearly Labour has got its priorities well and truly wrong.

It is set to increase defence spending. Labour remains wedded not only to Trident but to the £16 billion Eurofighter. The British state already spends £23 billion every year on

defence, but we are told it is not enough. Bruce George, Labour chair of the Commons Select Committee on Defence, made it clear that he was looking for more spending, not less:

"Restructuring our defences for the 21st century will require investment and spending is currently at its baseline."

At the Labour Party conference a

**WHAT WE THINK**

Socialists stick to the old principle – not a penny or a person for the defence of this system. Labour MPs should immediately vote to scrap Trident and the Eurofighter. The armed forces should be pulled out of every area of foreign intervention. We fight for them to be disbanded and replaced by a workers' militia which can defend the working class against any military threat it might face.

composite motion to scrap Trident was narrowly defeated by 5.59%. The majority of CLPs supported the motion. The motion would have been carried if the Unison delegation had not disgracefully gone against their own union policy and voted with Blair against the scrapping of Trident.

And in the meantime Labour continues to "honour" Tory licences to supply arms to regimes such as Indonesia. Their commitment to an ethical foreign policy looks about as solid as their commitment to eliminate nuclear weapons.

Clearly, Blair and co are committed to defence – the defence of the very fat cats of the arms industry and their profits. ■

in this issue



**How the world economy could crash**

As a banking crisis hits Japan and South East Asian governments queue up for IMF loans we look at the causes and consequences of the crisis - page 13



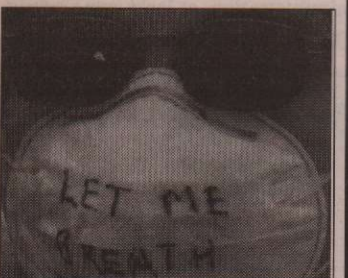
**Algeria**

As the government steps up torture and repression, the workers fight back - page 12



**Teamster rebellion**

As the US workers' movement turns the corner, the mobsters and the state move in - pages 10 and 11



**Hot air in Kyoto**

Why the environment summit offers no solutions - page 6

**EDITORIAL**

WORKERS POWER 217 DECEMBER 1997

**Who benefits from Labour's cuts?**

**"WE DIDN'T** believe they'd try this".

These words have been repeated up and down the country as the extent of Labour's planned attack on single parents' benefits hit home.

Labour MP Stephen Pound defended the cuts in benefit payment by suggesting the "trivial" sums were worth "only the price of a couple of packets of cigarettes a week". But most mothers know that the loss of £10 a week can make the difference between eating and starving.

The benefit cut is just the latest insult Labour has delivered to the working class voters who put them into office on 1 May.

We have seen Labour backtrack over tobacco advertising to please their rich sponsors. News that they are planning cuts to disability payments has shocked supporters. The exclusion of under-25s from the minimum wage has brought murmurs of protest from the trade union leaders. And students have been demonstrating over tuition fees.

Gordon Brown's November budget statement was designed to take some of the heat out of the situation. Brown and Harriet Harman, are pursuing a course which involves drastically cutting welfare provision, tying it to various back to work initiatives. This would preserve some element of the welfare state while reducing the cost to the Treasury overall.

Harman and Brown pose as caring about single parents, wanting to "help" them to go back to work. But behind their caring phrases is a big stick: get a job, or lose your benefits.

The main alternative approach within the Cabinet comes from Blair and his "minister for the unthinkable" Frank Field. They would prefer to see a root-and-branch attack on "welfare dependency" and the replacement of means tested benefits by social insurance schemes. The state pension scheme would be replaced by "mutual organisations" through which workers would look after their own welfare.

Brown and Harman, on the other hand, want to make people pay more into a new "stakeholder" pension.

These are the "hard choices" being



Harriet the hatchet and Frank Field, Minister for the unthinkable

debated by the Cabinet. Most of them have long abandoned the notion that the state should provide decent support for children and the elderly - though it is rumoured that the faint echoes of old Labourism reverberating in the brains of John Prescott and Frank Dobson led them to protest at the planned attacks on the disabled.

The meeting of Labour MPs that discussed Harman's benefit cuts was variously described as "explosive" and "nasty". Some MPs have signed up to a secret letter opposing the benefit cuts. Some have even been prepared to dissent in public.

But can we expect any element of the PLP to put up a serious fight?

The vast majority of Labour MPs are wedded to Blair's leadership. They have lined up with Brown's pledge on spending limits. Of those who dare to be critical, many will be silenced by the threat of demotion or the promise of promotion. Even those who signed the secret letter are apparently being pressurised to remove their names.

There are those on the left, specifically the Campaign Group of MPs, who will speak out on issues such as the benefit cuts. But they are hamstrung by their own political programme and approach.

Some of them have already been lay-

ing out their excuses for pulling punches in opposing Blair. They scorn "martyrdom" on the lines of former MP Dave Nellist or other left victims of the Kinnock/Blair purges.

The truth is that they cannot break from Labour or the parliamentary road to socialism - even though the futility of their approach is daily being revealed. They are incapable of leading a serious campaign in the working class which could reverse the Harman cuts or fight for a decent minimum wage.

A break with Blair is possible at some point in the future but no one who is serious about fighting these attacks now should put their faith in these puny left critics.

If we can expect no lead from inside Westminster, can the trade union leaders do any better? Their record over the last period shows that they too are wedded to Blair. In response Brown's call for wage restraint, Unison leader Rodney Bickerstaffe could only protest faintly that "there are expectations that the public will want to see addressed" while acknowledging that the union leaders "understand the need for caution".

What does this mean exactly? Bickerstaffe would like to see some adjustments to policy and some extra government spending. But he accepts

Brown's underlying logic. Brown's insistence on holding back wage demands, as well as keeping within the Tory spending targets, is all about managing Britain's capitalist economy for the benefit of the bosses.

Brown's favourite word, "prudence", suggests he is managing the nation's assets with care. He is - but for the capitalists, not for the rest of us. If he "cared" about poverty, about the health service, about our schools, he would manage the economy so that the rich paid taxes to fund pensions, benefits and services.

Some Labour supporters argue that Blair and Brown made a mistake by promising to keep within the spending limits in order to get elected and that the huge majority showed this was unnecessary.

This misses the point. Brown's pledge, like Blair's many warnings before the election, was not just for the benefit of middle England. It was designed to dampen expectations among Labour's working class supporters and prepare the ground for the necessary "belt-tightening".

So far the majority of workers are still willing to give the government a chance. In most discussions about the attacks, those prepared to give Blair the benefit of the doubt can point to a few measures, like after-school clubs, which promise improvements. Or they can point to the promise of guaranteed trade union recognition as a gain compared to the years of Thatcher and Major's attacks.

But even these minimal gains will be wiped out or outweighed by New Labour's insistence on forcing the unemployed into poverty wage jobs and keeping the unions in legal shackles to prevent serious resistance. As these attacks unfold, we cannot rely on the Labour left or the union leaders to put up a fight. On the contrary they will protect Blair's back and try to steer opposition into "safe" directions.

We need a new kind of leadership, one built by the workers, students and unemployed who are prepared to put up a real fight against poverty wages and benefit cuts. We need a revolutionary alternative to Labour. ■

**WORKERS POWER**

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**Building fund**

Win a trip to Amsterdam!

**A**s we reported previously we are in negotiations over the purchase of a new office for Workers Power and the LRCl. The cost of property in London is rising by the day and the mortgage lenders are basically making us come up with a lot of money before they will give us the go ahead to complete the purchase. We desperately need to reach our £20,000 target.

We know that with Christmas looming, money is tight, but we are appealing to every reader to include us on their Christmas gift list. We don't want vouchers or books. We want money. Last month we raised £514.48, taking our grand total to £14,798.43. Our thanks to readers and support-

ers in London, Birmingham and Canada for their sponsored bike rides, individual donations and other fund raising activities that went towards raising this

money. Please continue sending us money, making cheques payable to Workers Power, with 'Building Fund' written on the back.

Also, thanks to a comrade in London who donated a voucher for £150 towards a holiday in Amsterdam. No, the Editorial Board are not heading off on a holiday. We are raffling this voucher. If you want to buy a ticket please contact your **Workers Power** seller or write directly to **Workers Power** sending us your ticket money, your name and your address. Tickets cost £1 each or five tickets for £4. The draw will be made at the end February 1998, just in time for a spring time holiday for the lucky winner. ■

## Merry Christmas from New Labour

# A sack full of broken promises

Springtime in Britain, a New Labour government, promises of a bright, better future. That was then, this is now. As the nights draw in, and the festive season approaches, **Jeremy Dewar** takes a look at Labour's "gifts to the nation" over the first eight months of government.

### Suffer the little children

"It will make hundreds of thousands of the poorer children worse off."

So said Harriet Harman back in November 1996, savaging the proposals of the then Social Security minister, Peter Lilley, to scrap Lone Parent Premium and One Parent Benefit. Harman attacked the Tories' strategy of making the poorest sections of society pay for the bosses' crisis, adding, "the way to get lone mothers out of poverty and cut spending on benefits for them is not by cutting the amounts on which they have to live year by year and plunging them further into poverty."

What a difference a year – and one general election – makes!

In November 1997, Harman stood up in the House of Commons to announce that she would plunge single mothers into poverty – only she didn't quite put it like that. She would be phasing out Lone Parent Premium and One Parent Benefit.

This savage attack – which was opposed by the cross-party Social Security Advisory Committee – will cost single parents on Income Support £4.95 a week and those on One Parent Benefit £6.05 a week. In addition, single parents will lose out on Council Tax rebates and Housing Benefit top-ups. In total those in work could lose up to £11.50 a week. Some incentive for mothers to find work when they are immediately penalised for doing so!

This betrayal is all the more galling after the jubilant display of Labour's record 101 women MPs outside the Commons in May. "The fact that there are so many of us will change the way things are run in the House and in the country," said a beaming Angela Eagle. It certainly has. New Labour can now afford to betray working class women by filling places on the Social Security committee with Blairite women MPs in an attempt to derail criticism.

If this is Labour's New Deal for Lone Parents ... someone should shuffle the cards!

### Labour's tobacco policy goes up in smoke

New Labour's tobacco policy before the election was straightforward enough. "Smoking is the greatest single cause of premature death in the UK", their manifesto pointed out. A month after the election Health Minister Frank Dobson, followed this up with a promise to ban all of the tobacco industry's £9 million sponsorship of sports.

The appointment of Tessa Jowell as the junior minister to oversee this policy also seemed to bode well. As a member of the Health Select Committee in 1992, Jowell had called for "the total elimination of tobacco advertising".

But when the ban was finally unveiled, it didn't even apply to Formula One racing and all other sports were given five years to comply with it.

Of course this was nothing to do with racing chief Bernie Ecclestone's £1 million donation to the Labour Party. Even less to do with Tessa Jowell's husband's recent job as a Formula One consultant. After all, that would be reminiscent of the sleaze which dogged the Tory government and which New Labour promised to eliminate.

Jowell tried to defend her decision by claiming that a ban would threaten 50,000 jobs. Funnily enough, the Health Select Committee, in unanimously condemning the exemption, could only count 8,000 Formula One related jobs and couldn't see how they would disappear along with tobacco advertising.

In a last ditch attempt to save Labour's reputation, Jowell revealed plans to ban 16 and 17 year-olds from buying tobacco. She obviously thinks it's easier to boss around teenagers than millionaires.

Still, there was one winner. Ecclestone not only bought favours ... he even got his money back.

### An ethical dimension to the arms trade

On 12 May, Foreign Secretary, Robin Cook told the world that Britain's foreign policy will have an "ethical dimension" and the Labour Government will "support the demands of other peoples for the democratic rights on which which we insist for ourselves." Dictators around the world trembled. Well, not quite.

Take Algeria, for example. The military regime there has the worst human rights record in the world. Yet, Britain still continues to supply its army with weapons. British Petroleum has a lucrative contract worth £1.85 billion with the Algerian government, while BP's former chairman, David Simon has been rewarded for his ethical record by a government post as minister for foreign competitiveness.

Further evidence of Cook's determination to "put human rights at the heart of our foreign policy" can be found in East Timor. The Indonesian military regime is waging a savage and well-documented war against the Timorese people. Hundreds of thousands have been massacred. But Robin Cook refused to visit or even mention East Timor this summer because it might have offended his host, the butcher, President Suharto.

Cook now says that it is better to use "constructive engagement" with dictators, rather than arms embargos. So, British companies continue to trade in death with impunity. Dictatorships in Indonesia, Saudi Arabia, Turkey, Nigeria and beyond continue to massacre their people with New Labour's blessing.

Human rights or corporate profits? Hard choices, indeed.

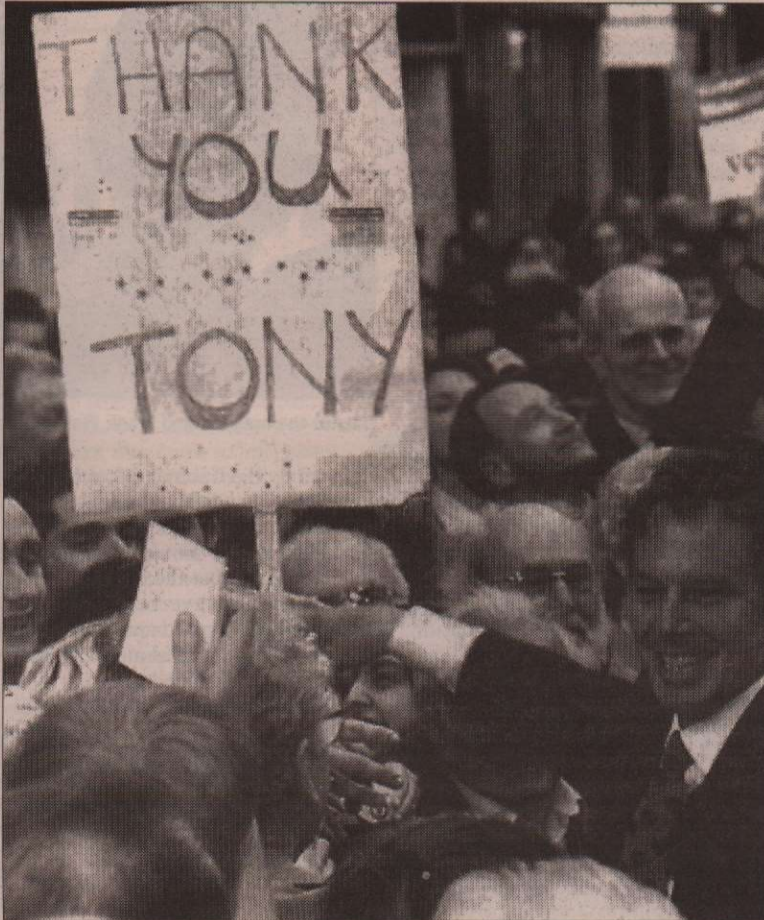
### Tuition Fees

New Labour were very careful not to promise anything concrete for students. After all, many of their leading figures are ex-NUS presidents. They know the dangers of failing to deliver to students.

However, Labour did promise to abide by the recommendations of the Dearing Report. Robin Cook, now Foreign Secretary, went even further. On his election campaign tour, Cook was interviewed by a local radio station and warned that the Tories would bring in tuition fees for university students if they were re-elected. Reasonably his listeners assumed this meant that Labour would not be introducing fees.

On both counts, Labour lied. Dearing's report has of course now been published. It recommended that the maintenance grant, worth up to £2,000 a year, should be retained. Yet, within two hours of the report's publication, Education minister David Blunkett overturned the proposal and scrapped the grant completely.

As for the fees, this recommendation was accepted. After two hours of careful deliberation, Blunkett decided it was best to change Labour's policy. Unfortunately for Robin Cook, his jibe that those students who wanted the introduction of tuition fees should vote Tory was captured on tape and has since been re-broadcast. Then again, maybe Cook was being uncharacteristically even-handed and what he meant was, "You can vote Tory or vote Labour, you'll get the same from either".



### Foxes

In a bid for animal lovers' votes, Tony Blair's manifesto promised, "there will be a free vote in Parliament on whether hunting with hounds should be banned by legislation."

True to his word, Blair did allow Labour MP Mike Foster to introduce his immensely popular Wild Mammal (Hunting with Dogs) Bill. After one of the more rousing debates in the Commons in recent years, the Bill passed its second reading by 411 votes to 151. But Labour's business managers immediately reiterated that they would not allow sufficient time to give the Bill a chance to become law. Clearly, Labour have learnt how to treat the House of Commons with the same contempt shown by all previous administrations.

### Freemasons

Lord Irvine, the Lord Chancellor, appears to have persuaded Home Secretary Jack Straw to break another of Labour's manifesto promises, the one that all public figures should be made to declare their membership of "secret organisations" such as the Freemasons.

A Commons Select Committee reported in March that "nothing so much undermines public confidence in public institutions as the knowledge that some public servants are members of a secret society one of whose aims is mutual self-advancement."

Despite this Labour has decided that the register of Freemasons in the criminal justice system – where they are most prevalent – will be voluntary for existing cops and magistrates. Hardly an effective measure given that Freemasons refuse to disclose their membership to non-Freemasons on principle. Furthermore, judges are to be excluded from the register if Lord Irvine gets his way.

A sample investigation revealed that 16 out of 64 circuit judges in the North East were in the "brotherhood" (women are strictly prohibited from joining these deeply reactionary clubs).

So, even if trade unionists are beginning to get disillusioned with Blair's administration, at least some brothers can smile.

### Out in the cold, in with the new

In November 1996, eleven Labour MPs – all now ministers – signed an Early Day Motion, calling on the Tories to take the "wind-chill factor" into account when calculating extra cold weather payments to help cover pensioners' heating bills.

Every winter, in Britain, 50,000 people die of cold. The government gives pensioners and income support claimants an extra £9.50 if the temperature falls below freezing for a week. By refusing to account for the effect of cold winds, the state

saves a few pennies while thousands die.

In a bizarre twist of logic, Labour now claims that to do otherwise would discriminate against pensioners in "less windy areas". No doubt Frank Field, right-wing minister for welfare reform, is currently working on the abolition of the state pension since it clearly discriminates against the "less elderly".

In his "Green Budget", Gordon Brown tried to defuse criticism by announcing a one-off payment of £20

for the elderly this year. But since the average pensioner spends £612 a year (6.7% of their income) on fuel, this is clearly a far cheaper option than reforming the method of calculating the cold weather payment trigger.

And by the way, if pensioners hope to keep warm by spending an afternoon in the museum, they could be disappointed. Labour have broken another promise; despite assurances to keep museums free, you will probably be charged for entrance!

### Imprisoned by the profit motive

Like a cornered animal, the dying Tory administration left some of its most vicious attacks to its last gasp. One of these was to allow private companies to build and run prisons.

Shadow Home Secretary, Jack Straw, echoed widespread public dismay in March 1995 when he called it "morally repugnant", adding, "It is not appropriate for people to profit out of incarceration. This is surely one area where a free market cer-

tainly does not exist." Tony Blair and John Prescott, among others, agreed publicly.

Yet, on 19 June this year, Straw, now Home Secretary, renewed Wackenhut Corrections Corporation's contract to run Doncaster prison and ordered two more to be built. This was "an urgent operational requirement", claimed Straw. But this is only true if you accept Tory spending limits and Tory poli-

cies for incarcerating even more of the population.

Wackenhut is well-known in the USA for its strike breaking. In Britain it is building up a reputation for exploitation of free labour; Labour has given it permission to sell the products of prisoners' labour in the workshops. Clearly, Jack Straw has now realised that this is one area where the free market does exist – and needs to be expanded!

## DERBYSHIRE: School meals dispute

# "We've got to go all out to win"

**AFTER FOUR** one day strikes and a mass lobby of a Council meeting, Derbyshire's school meals workers are about to re-ballot in order to escalate the fight against £2.6 million cuts in the service. *Workers Power* spoke to Sue Wills, a cook supervisor and leading member of the strike committee.

### WP: What is the dispute about?

**Sue Wills:** In primary schools Derbyshire County Council want to cut our hours by up to 10%. Across all schools they want to take away the staff calculation for our own meals. As we work through lunch time we have a meal on the premises that we pay for out of our wages. But the council are saying we can't have time to cook it anymore - this can be up to 60 dinners a week, or a cut of 4 hours. They also want to review our hours four times a year instead of three and take away two of our cleaning days when there are only three cleaning days at the moment!

In secondary schools the biggest threat is that they want to introduce a review of our hours in June. This is when take up of school meals can be at its lowest with the warm weather meaning many children prefer sandwiches; the year 11s have already left; and the ones taking GCSEs are only in on exam days. They'll obviously want a big cut in hours then. The Council have issued new contracts that they are trying to make the women sign. If we won't, they are threatening to terminate our old contracts and give us new ones anyway.

### WP: What sort of wages are school meals workers getting?

**SW:** At the bottom of the scale relief workers get £3.88 an hour and at the top of the scale a cook supervisor like myself earns £4.78 an hour and that's for running two school kitchens, supervising 12 staff and being responsible for health and safety.

### WP: What has the strike achieved so far?

**SW:** To start with the County Council threatened cuts in hours of up to 20% and six review days a year but the latest offer was just an increase in the compensation they're offering of £100 to £250. Reports in the press say we're being offered up to £1,000 compensation: this is a lie put about by the County Council. You could only get £1000

if you were working 40 hours a week and agreed to lose 20% of your hours - and nobody in school meals works 40 hours! The effect of taking action hasn't been so great because we're low paid workers so we've not lost that much. The branch is going to pay us £15 for having been on strike so far. If we're on strike for four days or more we'll get £62.50 strike pay from Unison.

There are 1000 school meals staff in Unison and around 400 staff not in Unison, some of whom are in the GMB and the TGWU. What are those unions doing to fight the proposed cuts?

We know that they have been negotiating with the bosses behind our backs. They've been poaching members from Unison since our branch merged and we suspect that they have given management membership figures which they have used to try and say our ballot was illegal! There's nowhere else management can have got these figures from. But the good news is 14 GMB members came back to Unison this week because the GMB aren't doing anything. And since the dispute began we've recruited 150 new members from school meals staff.

### WP: What has been the response of the school meals staff to the offer of increased compensation from the Council?

**SW:** On the 17 November, the third strike day, there was a mass meeting and the women voted two to one to escalate the dispute - in my area, Chesterfield, the vote was unanimous. On our fourth strike day (26 November) we held a lobby of a full Council meeting at Matlock. There were about 300 strikers there and the women were fantastic: chanting and singing. If we didn't show what we're made of then, they've not got eyes! It's made the women more aware. We didn't expect them to treat us like they did: people like us elect those councillors and all they said was you've got to take these cuts and tough! It's a hard decision for them to take, they say, and we've got to put up with it. I've voted Labour all my life and it made me ashamed that I voted for them. They pretend to support you and in the end they stab you in the back.

### WP: How do you think you can win this dispute?

**SW:** We've all got to stick together

and I think it's got to be all out. Some schools still need convincing and some are going to sign the new contracts and put a cross for strike action. We've got to go all out to win because if we don't win there's got to be another confrontation: they want to make another £2.6 million cuts in the budget for 1998/99. What else have we got to give them? It's got to be sick pay or holiday pay next. The service is up for review next year under compulsory competitive tendering (CCT) but this new Best Value scheme means, from what I can see, that they don't have to go for the cheapest quote: they can take quality into account. If Derbyshire County Council really was committed to a decent school meals service, we could get back to providing meals made from fresh not frozen produce as we did before the threat of CCT.

Over the last seven years this has meant cuts in hours, cleaning time, laundry money and an end to official tea breaks. But the Council say they need to cut school meals in order to use that money to reduce class sizes. These are the same Councillors who were sacking teachers seven years ago! We think this is a lie: they aren't interested in school meals and they want to get rid of the service.

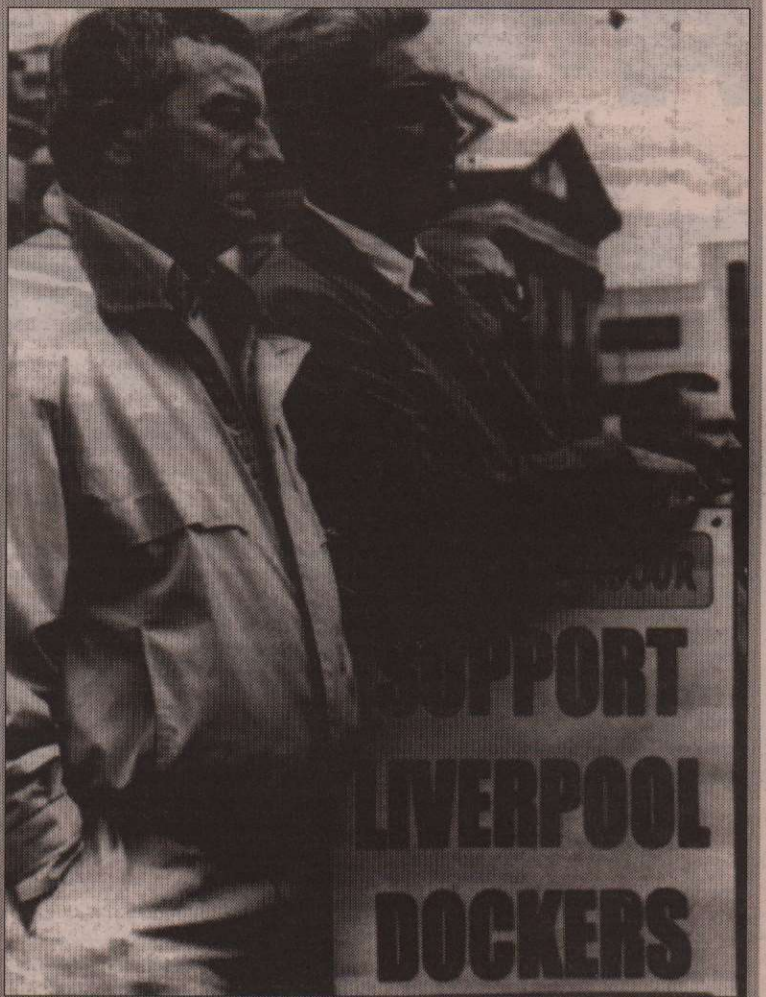
### WP: How has the strike been organised?

**SW:** It's been amazing - it's the first time that Derbyshire catering staff have done anything like this even though they've had seven years of cuts. The local reps have worked very hard - and so have the Unison office staff - and we've done our best to make sure people have got contact numbers and all the information. So far we've raised £17,000 for our hardship fund. We've stood firm: it has been a fight to get the ballot we want on time. The next lot of action probably won't be until the second week of next term, starting 12 January, to give us time to make contact with everyone after the holiday. But the first thing is to win the ballot!

**Messages of support to: Derbyshire County Unison School Meals Strike Committee c/o Derbyshire County Unison Branch, County Hall, Matlock DE4 3AG. Fax 01629 580322**

**Donations to: Industrial Action Hardship Fund, at the above address.**

## SUPPORT DOCKERS' XMAS APPEAL!



**THE FIVE HUNDRED** sacked Liverpool dockers and their families are facing their third Christmas of hardship.

Last month they voted by more than two to one to reject a "final offer" from the Mersey Docks and Harbour Company.

Now, backed by journalist John Pilger and film-maker Ken Loach, the dockers have launched a Christmas Appeal for toys and funds. Organise a collection in your workplace, a union branch donation and, if possible, a Christmas delegation to the dockers' mass meetings, held every Friday at 10.00 am.

Most important is to keep the pressure up on the leadership of the TGWU which, from the start of the strike, has refused to make the dockers' action official, and the Labour government which has refused to intervene to help the strikers.

We should support the dockers not just through Christmas but all year round until the scandal of their betrayal by the leaders of the labour movement is put right.

Phone 0151 207 3388 for details of the Appeal. Send donations to Jimmy Davis (Secretary), Liverpool Port Shop Stewards Committee, 19 Scorton Street, Liverpool L6 4AS

And don't forget the other sacked strikers this Christmas:

- Magnet Strike Committee: 109 Jedburgh Drive, Darlington, Co Durham, DL3 9UP. Cheques to Magnet Families Support Fund. Phone picket line mobile 04020 72676.
- Hillingdon Hospital Dispute: Unison is disgracefully attempting to cancel the membership of the 53 sacked strikers. Lobby the Unison NEC on 10 December. Fax protests to Rodney Bickerstaffe, Unison General Secretary, on 0171 387 6892. Donations to Hillingdon Hospital Support Group c/o 27 Townsend Way, Northwood, Middlesex HA6 1TG. Phone Malkiat Bilku on 0956 135311.
- Thirty one Critchley Labels strikers are still sacked and fighting for reinstatement: Messages of support and donations to: Su Hoskins, 54 Beach Grove, Oakdale, Blackwood, Gwent NP2 0NB

## NUJ: Bureaucrats at war

# Rank and file must take control

**A ROW HAS** broken out in the National Union of Journalists (NUJ) over the sacking of the union's Deputy General Secretary Jake Ecclestone.

Ecclestone was called to a National Executive meeting in October to face disciplinary action after the General Secretary, John Foster accused him of "abuse of role" and "taking actions to undermine the General Secretary". The NEC voted to summarily sack Ecclestone, despite the fact that he had been elected for a four year term by a ballot of all the members, and that the maximum penalty for the charges laid was a final written warning.

A minority of the NEC walked out, cementing a split within the union leadership that has hampered the work of the national apparatus for months.

The issue over which the sacking took place is Ecclestone's campaign against the leadership's attempts to give

the Irish section of the NUJ effective autonomy from the NUJ in the UK. Behind this, however, lies a history of bureaucratic manoeuvring within the national leadership.

Foster is backed by a group of *Morning Star* supporters around NEC member Anita Halpin which calls itself "NUJ Left". Ecclestone is also on the left of the union movement but has historically been sympathetic to causes not traditionally close to the Stalinists' hearts.

### Drudgery

The first thing to be noted about this dispute is its near total irrelevance to the questions that affect the rank and file. From the highly paid broadcasting sector to the low paid drudgery of local free-sheets union members are fighting on issues of recognition, pay and press freedom.

The substantive issues around the

Ecclestone sacking are part of a classic bureaucratic agenda. Wrangles over the use of subscriptions money come before fighting back against the employers' offensive.

Ecclestone is formally right to state that the attempt to cede financial autonomy to the Irish Office was against the rulebook. But there are powerful arguments in favour of it, and NUJ members should support whatever a majority of members living in Ireland decide.

However, Ecclestone's sacking is unjust. He was elected by the membership. The NEC was wrong to sack him. Union members should support his demand for reinstatement. Now, as Ecclestone has indicated his wish to stand again, there will be an attempt to bar him bureaucratically. Ecclestone should be allowed to stand for re-election.

The NUJ is already riven with sectional disputes. When the 31,000-strong union teetered on bankruptcy in

the early 1990s there were cuts in the union's apparatus. This left the freelance section (one third of the union) with no dedicated officials (except Ecclestone, in an acting capacity).

### Periphery

Meanwhile the higher paid broadcasting section is represented, in practice, by three officials. And the very low paid journalists on local papers - many still struggling to achieve the NUJ minimum wage of £10,000 a year - find themselves on the periphery of union politics.

What the union needs is unity built from below and an end to sectionalism. The whole episode shows what happens when a union fails to fight; when it finds its leaders distanced from their members, putting bureaucratic infighting above the immediate task of building the union.

In the majority of publishing work-

places in the UK the unions are de-recognised. NUJ stalwarts on the *Mirror* and *Independent* have recently been sacked for union activity. Joining the union, and paying the minimum £12-a-month union dues can seem a lot of potential members if all they hear about is the antics of rival bureaucratic cliques in London.

The NUJ should be run by and for its members. No matter how important the political questions in dispute are, it will not survive and grow unless it gets regularly elected and recallable leaders.

Ultimately we need a single union for the print and media industries. A motion calling for merger talks with the 275,000-strong manual and clerical print union GPMU has been ruled out of order for the NUJ's February annual delegate meeting. But until we get one union for all those facing the ruthless media bosses, there will be all too many cases of "divided we fall".

## KYOTO SUMMIT

# A world full of hot air?

**L**AST SUMMER President Clinton bowed to the pressure of US bosses and rejected calls to cut emissions of carbon dioxide (CO<sub>2</sub>).

Clinton's contempt for the fate of the environment is despicable but he is only being open about a policy that his European counterparts also pursue, albeit disguised by a lick of environmentally friendly green paint.

The pre-Kyoto summit jostling has focused on the United States' refusal to match the European Union (EU) countries' promises to reduce their CO<sub>2</sub> emissions. The USA, with only 4% of the world's population, is responsible for 20% of the world's CO<sub>2</sub> emissions. Its proposal to the Kyoto summit will be to reduce emissions by 2010 to the level they were at in 1990. The EU is suggesting a cut of 15% from 1990 levels.

But the real questions that need to be tackled won't even be asked at Kyoto – even by the environmental lobbyists. Why are our rulers set on destroying our environment? What is it that drives society to exploit the world's natural resources with little regard for the long, or even short, term effects?

Any attempt to answer these questions means also questioning the world economic system itself – capitalism. That is not on the Kyoto agenda.

What will the summit achieve? We can be sure that, whatever happens, there will be some who hail it as a success. The summiters have to justify their luxury hotel bills and expense accounts somehow. But any agreement reached at Kyoto is likely to be a very limited one. The promised cuts in emissions, whilst they may be binding, will be small.

The major difference between Kyoto and the Rio summit, which took place in 1992, is that any agreement will be legally binding on the signatories. The Rio agreements were voluntary. That's why Clinton felt able to ignore them.

At Rio the countries of the "developed world" – the UN's polite word for the imperialist countries – were committed to keeping greenhouse gas emissions down to 1990 levels. Only Britain and Germany were able to meet the target.

Kyoto will differ from Rio in that everyone will be expected to make a cut. At the Rio Earth Summit the countries of the "developing world" – the semi-colonial countries subordinated to the imperialist powers like Britain, the USA and France and their multinational corporations – were exempted from the agreement.

Powerful lobbies from the oil and gas industries have been working since Rio to ensure that their profits are not affected by any binding agreement on cutting greenhouse gases. Many of the multinationals have come together to form the Global Climate Coalition (GCC), based in the USA.

Their tactics have been to question the scientific research which shows a human cause for climate change. They also argue that significant CO<sub>2</sub> cuts would lead to job losses and price rises. According to the GCC cuts in emissions being proposed at the Kyoto summit would lead to 600,000 job losses in the USA and an increase of \$1 on every gallon of petrol.

Members of the GCC include car manufacturer Ford and multinational oil company Shell. They have spent \$13 million on an advertising campaign in

The world summit at Kyoto in Japan is to be held in December. This United Nations gathering, under the auspices of the Framework Convention on Climate Change, will expose the profit system's inability to tackle the environmental threat, writes **Kate Foster**.

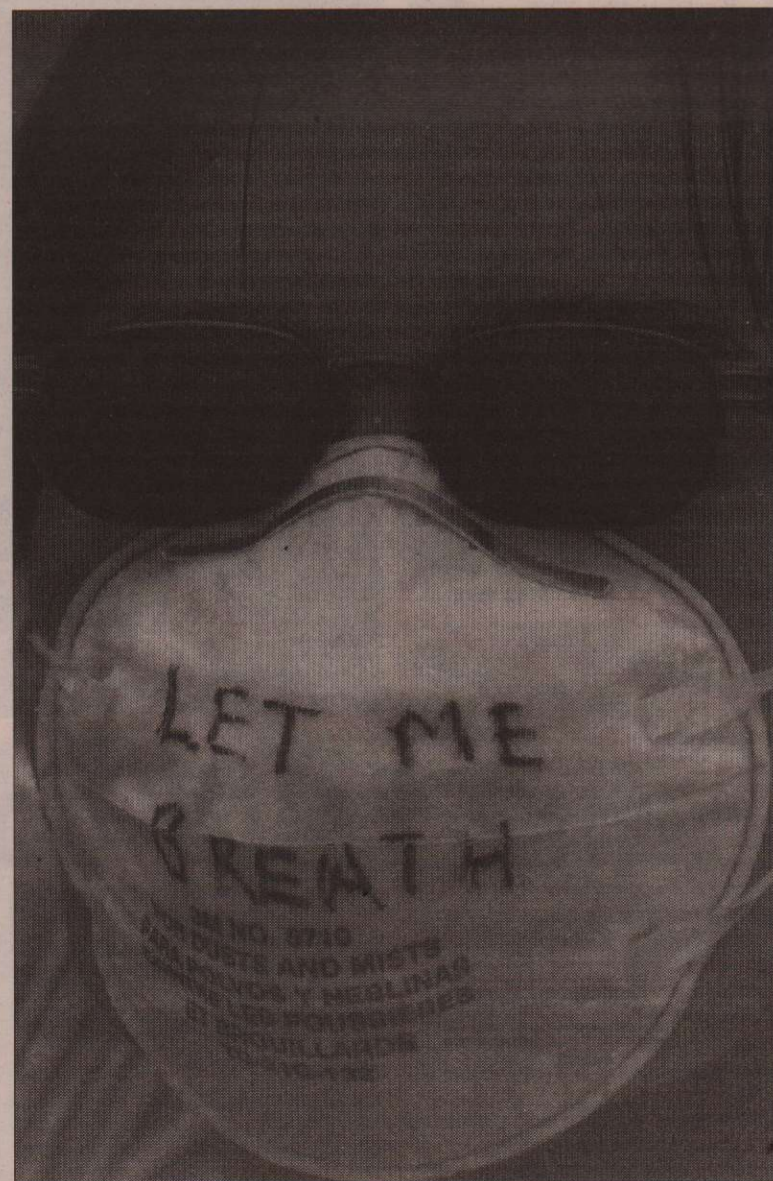
the USA to warn that consumers will have to pay the cost of any restrictions imposed at Kyoto. The nationalist angle to the campaign – which argues that poor US workers are being made to suffer whilst the "developing world" makes a killing – is predictable. So is the fact that the adverts fail to point out how much members of GCC make out of exploiting the natural reserves and workers in the developing world.

Agreements by the world's rulers must not be allowed to threaten the livelihoods of workers. But it will be working class internationalism, not nationalist divisions, that can beat off

the world environment or explore the real causes.

It is a pity that the summit was not held a couple of months ago and a few thousand miles to the south of Kyoto, in Borneo. In September in Kuching, the capital of Sarawak state on Borneo, the air pollutants index reached 839. Anything above 300 is considered dangerous to health. Life virtually came to a standstill; no one could go out since it was impossible to breathe in the poisonous brown smog.

The environmental disaster which struck South East Asia in September was not caused by an excess of green-



A woman protests against the disastrous policies which led to fires and poisonous smog across much of South East Asia in September. Will Kyoto have any answers?

such threats. We need to fight the global bosses, not our fellow workers, to ensure that if any jobs are lost through measures taken by industry to curb environmental damage we win the automatic right to redeployment into jobs at equivalent rates of pay.

The Kyoto summit will not address other significant threats to

house gases: cutting emissions will not prevent a similar disaster happening again. If humanity is to protect its environment we have to go beyond the deliberately limited agenda of the Kyoto summit.

The fires that caused the smog over South East Asia were entirely a man-made disaster, caused by pure

## The greenhouse effect

**THE GREENHOUSE** effect is a natural phenomenon which warms up the earth and actually makes the planet habitable. Discovered by French physicist, Joseph Fourier, in the early nineteenth century, the greenhouse effect is created by gases which exist in the earth's atmosphere.

Their presence ensures that heat from the sun is allowed into the earth's atmosphere at a faster rate than it leaves, thus, just like a greenhouse, literally warming up the earth. It is estimated that without the greenhouse effect the planet temperature would be 30 degrees colder.

The greenhouse gases include carbon dioxide, methane and nitrous oxide. All of these gases occur naturally but human activity can produce greater quantities. For example, burning fossil fuels (oil, coal and gas) results in increased levels of carbon dioxide in the earth's atmosphere. Global warming is happening because the amount of greenhouse gases within the earth's atmosphere is increasing and the greenhouse effect is getting stronger. This is being aggravated by a thinning of the ozone layer: a region of the upper atmosphere which contains ozone, a gas that absorbs ultraviolet light.

Human activity is responsible for only around 4% of the greenhouse gases but this alone can bring about a significant increase in temperature. A fall in temperature of a mere 2% ushered in the ice age. In the last one hundred years average temperature has risen by around 0.45%. On the basis of this rise, scientists predict that the average global temperature will increase by between 1.5% and 4.5% over the next century. Sea levels would rise by approximately half a metre.

The effects could be devastating, but we need to take control of the research into this phenomenon out of the hands of big corporations and place it under the supervision of workers if we are to really ascertain the scope of the problem and come up with a solution that benefits humanity and not the profiteers. ■

greed. The logging companies, many based in the West, cleared huge tracts of land, cutting down trees to make a quick profit. Then plantation owners eager to make money from palm oil production moved in to clear to land of the stumps and scrub left behind.

Clearing the land with bulldozers would have been safer, but slower; burning the stubble was much quicker and ultimately disastrous. This was not a one-off error or oversight by the capitalist firms responsible. It has all happened before; a similar disaster happened in 1994. This was not ignorance or accident but the simple drive for profit.

Energy is vital to the modern economy. Only the most stupid reactionary would have the arrogance to declare that the masses of the less developed countries do not have the right to the same levels of heat and light, power and technology that we have in the industrialised countries.

While more could be done to conserve energy, we need more energy, not less. But surely that will lead to more greenhouse gases?

Coal, gas and oil do produce greenhouse gases, they are also some of the cheapest forms of energy. Much more research and development would be needed before renewable energy sources could be made sufficiently efficient to replace fossil fuels. Yet such energy sources would be both renewable and environmentally friendly. So why not invest in more research? *The Economist* is clear:

"Switching from fossil-fuel power sources to more expensive 'renewables' like solar energy, involves spending real money. Such proposals need to be handled with care lest real regrets develop. Drastic short-term change could be hugely expensive and therefore politically unsustainable."

The "huge expense" cannot, in capitalist terms, be justified even if it actually improved the planet's environment!

Cutting greenhouse gas emissions will not, on its own, stop the pollution of the world's environment. Millions of tonnes of toxic waste is poured into the air, rivers and the sea every day. Technology exists that would significantly cut the level of industrial pollution. Why is it not used? Fitting filters and cleaning systems costs money, which cuts into profit margins. And this applies to the fossil fuel-producing industries too. Money to increase the safety of the production process is seen as a drain on profit. It therefore goes elsewhere, leaving safety to chance.

What incentive is there for the capitalist to spend money on protecting the environment? Perhaps some improved image, better public relations? British Petroleum (BP) has announced that it intends to spend \$1 billion a year to develop solar energy. But before you give them a medal for being a protector of the environment, remember this is the same company that has laid waste tracts of land and poisoned rivers in Colombia. When local people protested, BP handed over their names to the army, which set about arresting and murdering them.

As a system capitalism can never be environmentally friendly. At times it may act to protect the environment, if that means protecting its profits, but more often its action will damage the environment. It is not governed by what impact its action will have on the future of the world, but whether a profit can be made.

It is the representatives of this system who will occupy the seats at the Kyoto summit. Even the opposition, the environmentalists protesting outside, adhere to this system.

Many of the scientific arguments on global warming, the greenhouse effect and climate change are complicated and frequently subjected to challenge. The task of the working class, faced with all of this, is not throw up its arms in confusion, or lapse into a nationalist defence of its own short term interests. It is to recognise that defending the environment from wanton destruction – as opposed to changing the environment in a way that benefits humanity – requires challenging capitalism itself.

Capitalist summits like Kyoto offer no solution. They cannot address the needs of the majority of the planet: the need for the safe and extensive development of energy; for the rational and planned extension of industrial production to satisfy human needs; the need for unbiased scientific research into climate change.

Only a world in which states collaborate with each other instead of competing for profit, in which world production is planned and under the control of the producers themselves, can expand the productive forces in a harmonious, rational and safe way. And only this way can we ensure that necessary changes in production are not at the cost of workers' jobs and livelihoods.

In other words the global threat posed by capitalism's destructive environmental policies requires a global solution – global socialism. ■

## Debunking the classless society

## Britain's two nations



**THIS BOOK** was completed in the month of the Labour victory, before the shape of Labour's early betrayals could be discerned but when the general direction of policy was already visible. The authors are from the Social Market Foundation. They believe in the possibilities of reform, of progressive politics – "the patient work of bridging class tensions and divisions as best one can".

They direct their fire against those, including both Major and Blair, who argue that "fair chances for all" or "equality of opportunity" can produce a classless society. In particular, the authors target the meritocratic notion that those with talent or brains will succeed with just a small helping hand.

They point out that the huge differences in income and circumstance that exist today make the idea of equal opportunity a nonsense. The child from a working class family in an area of high unemployment is likely to live in poor housing, will go to a school that the middle class avoid, will have worse health and less health care and, unsurprisingly, less chance of achieving success in education or employment.

This line of thinking is welcome at a time when the Labour cabinet is using this notion of "fair chances" to justify its benefit cuts and its strengthening of selection in schools. Harriet Harman suggests that single parents can work themselves out of disadvantage. David Blunkett defends his policy of specialist schools by arguing that "education should be the ladder out of poverty and not the mechanism for consigning future generations to it."

The words sound fine until you examine them against the backdrop of class inequality. When four in 10 adults in Britain earn less than the Council of Europe "decency threshold" and a third of our children live in poverty, then it becomes clear that David Blunkett's ladder is just for the very few. His policy relegates the majority to second class education and continued disadvantage.

Meanwhile 7% of families are able to enjoy continued access to private sector education guaranteeing them better A-level results and the lion's share of the top university places.

#### Attack

The problem with the authors' approach is that they not only attack the "myth of classlessness" they also attack the idea that a classless society is possible at all. Marx's aim is part of "the beguiling mantra of equality", as utopian as the notion of abolishing classes through meritocratic measures. For the authors, class will always be with us.

They marshal impressive evidence to show how class differences and divisions run through all aspects of British

economic and social life. The effect of the Thatcher decade is well known but bears repeating: the share of income of the poorest tenth dropped between 1979 and 1994, from 4% to 2.5% while the top tenth of society saw their share rise from 20% to 26% (and this is only declared incomes, not taking account of the enormous hidden stashes that the bosses have in the offshore tax havens). In terms of wealth-holding the difference is even sharper, with the top 10% owning nearly a half of all individual wealth.

Tory policies increased inequality through regressive taxation measures such as raising VAT and cutting higher rates of income tax and corporation tax. The sale of council homes combined with the cuts to local authority budgets left some council estates bereft of improvements and with a high proportion of unemployed families – the so-called "sink" estates.

The sections of the working class who were encouraged into the golden reaches of home ownership found they had swapped one landlord for another and the new one – the bank or building society – could be even less sympathetic than the old one. These measures have left 1.5 million houses "unfit for human habitation", although the majority of them are inhabited, the occupants having nowhere else to go.

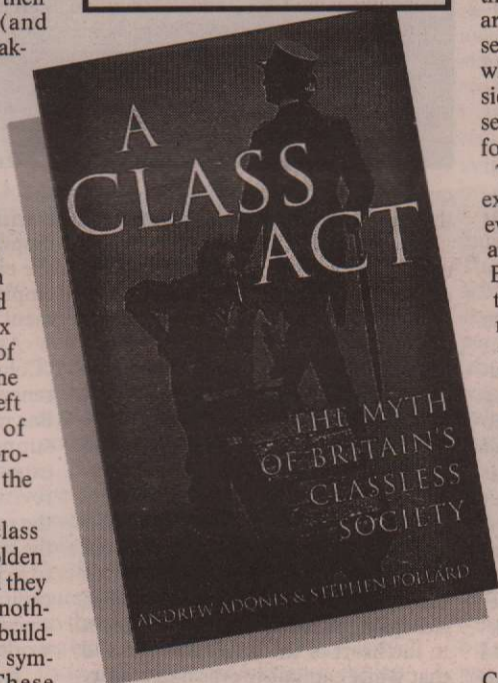
Even the new "national" pastime, the Lottery, which is supposedly a harmless flutter uniting everyone on a Saturday night in eager anticipation of jackpot success, turns out to be a way of transferring money from the poor to the rich. Being more in need of a magic wand to extract them from grim reality, poorer families spend more on the lottery than the well off. The profits from the lottery are then divided between the Camelot fat cats and various "good causes" dominated by arts and heritage.

The funds are distributed by quangos run by the "great and the good" – that is government appointees who mostly come from the aristocracy or other sections of the upper class with time to kill. They have managed to divert millions into their own preferred "good causes" – not only the notorious ones, such as the Churchill papers, but into various wheezes which help them preserve their own estates and way of life. As one quango member sighed when explaining more million pound payments to wealthy families to secure art works for "the nation":

"We could hardly do otherwise: Picassos, Dalis and Magrittes do tend to belong to rich people".

The authors deal effectively with the way in which the old aristocrats have

**Lesley Day reviews:**  
*A Class Act: The Myth of Britain's Classless Society*,  
by Andrew Adonis and Stephen Pollard, Hamish Hamilton, £17.99



avoided decline and dug themselves into the serious work of wielding power and preserving inherited wealth. Not only have they been long integrated into banking and finance, they have kept hold of their acres: 1% of the population owns a staggering 50% of the land in Britain. The aristocracy has even enjoyed something of a renaissance, holding on to its great houses and estates, often courtesy of the National Trust and the entrance ticket money from the masses.

#### Pitfalls

The book avoids some of the more obvious pitfalls of recent analyses of class. The authors acknowledge that there is a considerable degree of fluidity and mobility within and between classes but argue that such fluidity does not mean that real inequalities and class differences disappear. They also reject the popular label "underclass", arguing that the concept is used by the existing elite to avoid recognising real class differences – they can pretend there is an "underclass" and that everyone else is pretty much on a level.

At the same time the authors recognise that growing inequality has increased misery for particular sections of the working class who suffer from unemployment, insecure employment and poverty. They suggest that many of these workers end up in the new army of servants to the rich – although it should be added that insecure, temporary and part-time jobs are rife

throughout the service sector.

But having rejected the notion of an "underclass" the authors then fall into the same trap when dealing with the other end of the scale: they announce the arrival of a new "super class". These are the new professionals in financial services and private sector management who, partly on the back of the expansion of the City in world finance, have secured vast new salaries and privileges for themselves.

This layer of professionals really does exist and the book includes plenty of evidence of the vast salaries, bonuses and other privileges that they accrue. But where the authors are wrong is their claim that this is a fundamentally new development or that these layers are a new distinct class.

Top professionals are either bought and paid for agents of the ruling class – and this applies not only to managers but to judges, the top civil servants and armed forces commanders – or are capitalists in their own right. With her £1.15 million salary and fat bonuses, Nicola Horlick has undoubtedly become a major capitalist shareholder.

For top executives – supposedly part of the new "super class" – like Cedric Brown of the privatised gas industry, the task is not only to award themselves obscene pay rises, share handouts and bonuses but also to prosecute the class struggle on behalf of the big capitalist owners of the privatised industries, to squeeze as much as they can out of their workers (the same is true of the managers of those industries and finance corporations that have always been privately owned).

Boasting of their own flexibility and hard work these individuals force insecurity and low wages on others. It is easy to be flexible when you have cleaners, cooks, gardeners, nannies and private schools. It is a nightmare when flexibility means scurrying from one job to the next to make ends meet, or if you are constantly monitored and rushed from job to job by computer driven schedules like today's gas fitters.

In other words, this "super class" is merely a branch of the capitalist class, not distinct from it. And the authors' theory about this layer stands in a long line of wrong analyses which have announced the emergence of a new managerial class.

All of these theories have merely served to obscure the reality of class relations behind the appearance of "new" class layers: a small percentage of the population own and control not simply "wealth" in the abstract, but the means of production – the factories, computer centres, oil wells and so on where wealth is generated. The vast majority of us have only our labour power to sell and a few personal pos-

sessions, perhaps a fraction of our houses and a small piece of a (vulnerable) pension fund if we're lucky.

Against all such theories of class Marx's analysis of class relations, based on his understanding of the capitalist mode of production, showed how the minority of owners, the capitalist ruling class, is constantly at war with the majority working class.

This class war is constant because the capitalists, competing with each other, try to increase their exploitation of workers to maximise their returns. This is in the very nature of profit logic. But so too are the struggles of the working class against intensified exploitation and for physical survival. And these struggles are an integral part of a class war that will not go away so long as classes exist.

Interestingly, recent surveys quoted by the authors show that a majority of people are acutely aware of the class war. In a 1995 Gallup Poll, 81% of respondents agreed that there was a "class struggle" in Britain today. A higher proportion – 61% – called themselves working class than had done so in 1949 when only 43% of those surveyed so described themselves.

There may be many cultural and political reasons for these changed responses, but they do suggest that Britain's workers understand the reality of class struggle a lot better than the eminent sociologists who have written off the working class with the decline of manufacturing.

#### Wealth

The fate of the so called "super class" is bound up with that of the ruling class of which it is actually a part. This class will not willingly give up its privileges and wealth. From time to time, to ensure social peace, it will cooperate with those reformers, like the authors themselves, who want to pursue the "patient work of bridging class tensions and divisions". But faced with any serious challenge to its position it will turn to force, to the state that exists to defend it, in order to crush the working class. This is a conclusion that the authors, for all their observation of Britain's classes, just cannot come to. It is a conclusion that would sound the death-knell for the reformist politics that the authors espouse.

Meanwhile for the majority, the working class, neither equality of opportunity nor piecemeal reforms can guarantee security, comfort and decent education for all. Only the destruction of the profit system and the struggle for the final abolition of classes can do that. Far from being a "beguiling mantra of equality" this is an aim worth fighting for and is far more realistic than attempts to reform a failing and rotten capitalist system. ■

One hundred years since the "revisionist controversy"

# Reform or revo

Reform or revolution? That question has dominated debates between socialists in the 20th century. Reformist politicians on all wings of the Labour Party believe capitalism can be reformed. Marxists, by contrast, say that without revolution, the world is condemned to crisis and war.

These debates go right back to the last century. One hundred years ago a prolonged debate broke out in the labour movement. The "revisionist controversy" took place in very different circumstances from today but its lessons are still vital, writes **Bill Jenkins**.

**I**N 1897, THE German Social Democratic Party (SPD) was the biggest working class party in Europe. It had thousands of adherents in working class communities and factories. It declared its support for Marxism and the need for class struggle to achieve socialism. But there were already pressures on the SPD to adapt to capitalism rather than overthrowing it.

In 1897 Eduard Bernstein and Karl Kautsky were seen as the two leading Marxist theoreticians in the world. Bernstein had been a pupil and close collaborator of Engels; but his ideas were already diverging from those of his revolutionary teacher.

Even during Engels' lifetime disputes arose in the SPD over how many concessions the party should make in order to stay legal and what its attitude to violence should be. A series of ambiguous formulations were adopted in the SPD's Erfurt Programme in 1891. However, the full blown debate broke out in the year after Engels' death.

The debate took place against the backdrop of a period of sustained capitalist expansion which seemed, at first, to challenge the assumptions made by Marxists about the future of capitalism. This was the period of transition from "free competition" to imperialist monopoly capitalism and it required Marxists to develop their theory to describe and intervene in the new situation.

A number of developments appeared at first sight to contradict Marx and Engels' predictions. Capitalism seemed not only to be growing but to have overcome its tendency to crisis. Some workers in Europe had improved their living standards: was this a temporarily privileged "labour aristocracy" or was it a permanent advance that could eventually be won by all workers? There were also a series of municipal reforms and improvements. Trade unions and political parties had won various rights and gained parliamentary representation. Did this mean that violent revolution was unnecessary?

While Bernstein, exiled in London, deliberated on these developments he came under the influence of currents such as the "Fabian Socialists" in Britain, who believed in gradual reform. He began to take over elements of Fabian and liberal thinking but to dress them up as Marxism.

The debate began following Bernstein's publication of "The German Social Democracy and the Turkish Troubles" in Kautsky's magazine *Die Neue Zeit* (The New Era) in October 1896. This article included a consideration of the policy of Marxists towards "uncivilised" nations, and contained Bernstein's first major revision of Marxism: it supported the policy of colonisation. Bernstein wrote:

"Races who are hostile to, or incapable of civilisation, cannot claim our sympathy when they revolt against civilisation...however critical our view of contemporary civilisation may be, we none the less acknowledge its relative achievements and take them as the criterion for our sympathy. We will condemn and oppose certain methods of subjugating savages. But we will not condemn the idea that savages be subjugated and made to conform to the rules of the higher civilisations."

Bernstein's support for colonisation appeared to be based on the Marxist position that the abolition of pre-capitalist modes of production was progressive because it developed the econ-



omy, created a working class, and laid the basis for the transition to socialism.

Bernstein's position amounted to critical support for the foreign policy of the German state.

Worryingly, there was no response to this from the SPD leadership. Kautsky himself made no public comment on the article. Privately, he sympathised with its contents.

It was left to Ernest Belfort Bax, a member of the small Social Democratic Federation (SDF) in Britain, to reply in November 1896. Bax was seen as an eccentric figure in the international Marxist movement, but his article "Our German Fabian Convert - or Socialism According to Bernstein" went straight to the heart of the issue. Bax showed that while capitalism was a necessary stage before socialism, capitalist world domination was not. Capitalist expansion oppressed the races that it conquered, and allowed the system to postpone crises by developing new markets. Bax wrote:

"Their fight against the white man, against missions, traders, and settlers is our fight. We recognise no rights under any circumstances whatever, for a civilised power to subjugate races living in a lower stage of social development and to force civilisation upon them."

Bax accused Bernstein of having lost sight of "the ultimate object of the movement". Bernstein had "unconsciously ceased to be a social democrat".

Bernstein quickly confirmed Bax's intuition. In a series of articles - "Problems of Socialism" - starting in January 1897, Bernstein began a campaign to revise Marxist ideas and attacked a range of socialist policies. He expressed sympathy with the Fabian approach to the provision of municipal services and with state intervention to "organise" capitalism.

Bernstein continued the series by criticising the Socialist International for its rejection of child labour - a deliberately heretical position. His next article castigated revolutionaries for their "almost mystical belief in the anonymous masses" and described how a person in a crowd became a "herd animal".

But his most audacious piece was an attack on the British engineering union,

the Associated Society of Engineers, during and immediately after a six month lock-out of workers fighting for the eight hour day. He supported the employers and celebrated the development of the employers' organisation.

Again it fell to Bax, in his article "Colonial Policy and Chauvinism", to renew the attack, in December 1897. Bax returned to the issue of Bernstein's support for colonial expansion and exposed the implicit logic of Bernstein's revisions. Bernstein's celebrations of the expansion of the world market and the subjugation of new races, added up to a celebration of the expansion of the capitalist economy, granting capitalism a new lease of life and delaying the new world order of socialism.

Bernstein's response showed how sharply he was diverging from Marxism. He began to attack the idea that "the inevitable major economic crisis

**Bernstein admitted:  
"I have extraordinarily little feeling for, or interest in, what is usually termed 'the final goal of socialism'"**

will expand into a comprehensive social crisis" and that working class rule could bring "the complete transformation of society along socialist lines."

He challenged the idea of "monopoly capital" arguing that the growth of large industrial enterprises was not as significant as had been suggested and did not result in the displacement of small and medium sized companies. This was combined with an expanded world market, improved communications, more flexible and adaptable companies and improvements in the credit and financial system. These developments meant that crises would be much more limited and would not lead to social upheaval.

This led Bernstein to the heart of his

revision. The social revolution would be replaced by the social reform of capitalism: the regulation of economic life; the growth of municipal democratic government; the "piecemeal realisation of socialism". Any attempt to abolish capitalism by decree would lead to a "colossal defeat". Nationalisation would be neither necessary or desirable:

"There can be more socialism in a good Factory Act than in the nationalisation of a whole group of factories."

And with a candour he was later to regret Bernstein admitted:

"I have extraordinarily little feeling for, or interest in, what is usually termed 'the final goal of socialism'. This goal, whatever it may be, is nothing to me; the movement is everything. And by movement I mean both the general movement of society, i.e. social progress, and the political and economic agitation and organisation to bring about this progress."

Bernstein's explicit rejection of the central tenets of revolutionary Marxism at last drew a response from the left wing of the SPD. Alexander Helphand, whose pen name was "Parvus", wrote a series of articles published in the *Saxony Workers' Times* from January 1898 exposing Bernstein's revisions to a devastating and exhaustive polemic.

Using extensive empirical data Parvus defended the objective basis for socialist revolution. He showed that Bernstein's denial of the increased concentration of industry was not only based on a wilful misuse of the statistical evidence but also on a fundamental misconception about the development of the capitalist economy.

Despite the survival of small firms, the concentration of production and the domination of the economy by giant capitalist industries meant that every sector of the economy was interrelated. This provided a greater objective basis for the socialisation of the economy. Parvus argued that the concentration of industry proved the technical feasibility of the socialisation of production, and Germany's desperate expansion beyond its own borders, in the search for new outlets for its products, proved the necessity for that socialisation.

The policy of the party was based on the intention to seize political power,

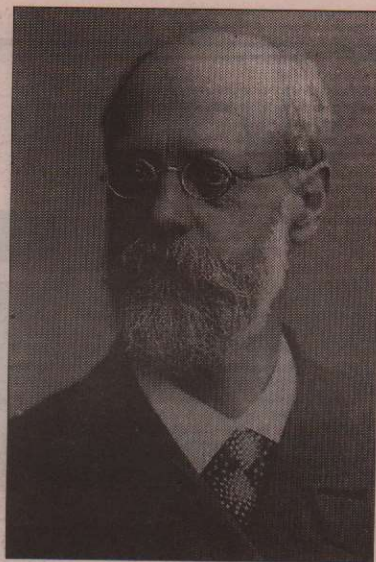
Above:  
Eduard Bernstein; he supported colonialism as "progress"

Top right:  
Karl Kautsky; his "orthodox" defence of Marxism was full of holes

Main picture:  
Dockers' strike, Britain, 1889; mass workers' action posed the question of peaceful reform or violent revolution.



# olution?



## The A to Z of Marxism is for Zeitgeist

BY RICHARD BRENNER

establish the dictatorship of the proletariat, expropriate the capitalists, place production under public control, and create the legal basis for the development of socialism.

Through this programme the party, based on the industrial working class, could lead all the oppressed classes in society to the socialist revolution. Far from being a utopia the objective development of capitalist society, confirmed the revolutionary programme. "Give us half a year of violence by the government, and the capitalist society will belong to history," Parvus said.

Parvus was not thanked for his attack on Bernstein. The leadership of the SDP bitterly resented his characterisation of Bernstein as an "anti-socialist". Their public silence continued and this allowed an organised revisionist wing to grow up inside the SPD. Articles extolling the path of gradual reform began to appear in *Vorwärts*, the SPD's daily paper.

Bernstein, however, was stung by Parvus' polemical assault. In a statement released in February 1898 he attempted to "correct" the impression that the final goal meant nothing to him. But his correction simply confirmed the revision. The final goal was a "utopian notion" unless it was understood as "something that can only be the product of a series of social developments".

In the second series of "Problems of Socialism" Bernstein made another significant revision of Marxism. He extended his criticism from the Marxist programme to its method. He rejected Marx's materialist approach, conflating materialism and idealism and arguing against the idea of "scientific socialism".

He questioned the Marxist analysis of class relations and the capitalist economy, arguing that – because specific concrete examples of class struggle and economic development differed from each other, or seemed to negate Marx's account – the whole approach was flawed. There was no scientific basis for thinking that socialism was the inevitable outcome of the material development of society and the class struggle. It therefore should be seen as the product of "ideal powers". For Bernstein, the revolutionary programme was replaced by the development of ideas in ethics and law.

The Russian Marxist, Plekhanov, waded in against this. In Bernstein and Materialism he provided a detailed history of the development of modern materialist philosophers in order to explain what materialism is and refute Bernstein's attempt to conflate it with idealism. But, while Plekhanov's polemic adequately exposed the weakness of Bernstein's philosophical knowledge, its concentration on a slightly obscure survey of philosophy meant that its impact was limited.

It was left to the Polish socialist Rosa Luxemburg to provide a thorough defence of Marx's method and the revolutionary programme. In a series of articles collectively known as "Social Reform or Revolution" she provided the most comprehensive refutation of Bernstein's economic theory and political method.

Luxemburg demonstrated that Bernstein's revisions were not different methods of reaching the same socialist goal: they led to a different goal altogether – to preserve capitalism not to overthrow it.

If the capitalist system is always able to adapt itself to avoid catastrophes, then socialism ceases to be objectively

necessary. If cartels, the credit system and the unions can abolish the contradictions of capitalism and allow the preservation of "organised capitalism", then there is no need for the transition to its socialist form.

Luxemburg went on to show that the expansion of credit will, in the long run, contribute to crises rather than alleviating them. Similarly, cartels intensify competition on an international scale and, in the long term, increase the anarchy of the capitalist mode of production.

Luxemburg showed that the period of capitalist stability had not removed the basis for crises and that "sooner or later the periodic conflicts between the forces of production and the limits of exchange will begin, and their very recurrence will make them more acute and tempestuous".

After refuting Bernstein's economic revisions, Luxemburg then analysed the shallowness of his notion that trade unions and social reforms can gradually displace the capitalist system.

Trade unions are "the means whereby the workers actualise the capitalist law of wages, i.e. the sale of their labour power at current market prices...the unions cannot therefore, subvert the law of wages". Practical experience of the trade union movement also showed it was by no means inexorably rising. It was effected by the trade cycle, the introduction of new

have been more different. Bebel thanked Bernstein but condemned Parvus for his "tone". Wilhelm Liebknecht, another founder of the SPD expressed agreement with Parvus but objected to the "unpleasant, pedantic and uncomradely tone in which he talks down to us".

It was left to Kautsky to provide the official refutation of revisionism. But his arguments revealed the weakness of the "orthodox" positions. According to Kautsky, Bernstein's main mistake was to generalise from the experience of Britain and apply it to other European countries. Bernstein's view that social development could take place peacefully, without catastrophes or crises was "based on very sound facts...unfortunately for us the facts are to be found not in Germany but in England".

Kautsky was relying on remarks Marx had made about Britain in the 1870s which were no longer applicable. He failed to address the underlying methodological arguments. In particular, he ignored the scale of Bernstein's assault on Marxist economic theory.

The debate at the 1898 Congress was a forewarning of the later splits and betrayals of the Second International. The party refused to take disciplinary action against Bernstein, and on his return to Germany in 1901 he was elected to the Reichstag party fraction, the unofficial leadership of the party, and organising centre of the right. Under the slogan of "freedom of criticism" the reformist wing of the SPD was able to continue its opportunistic practice.

Bernstein had insisted, throughout the debate, that his revisions had no practical implications – and in a sense this was true. Both Bernstein and the "orthodox" leadership were united in pursuing electoralism and remaining on the terrain of capitalist legality. Having emerged from a period of semi-legality to grow in size and influence, the last thing they wanted was to be forced back into semi-legal work by all this talk of revolution.

Thus, the Marxist orthodoxy of Kautsky served only to cover up the extent of the SPD's opportunism. And the debate also revealed the weakness of the left. It was able to provide a convincing refutation of the opportunists, but it relied on the ability of a few isolated intellectuals. These remained loyal to the party structure and were never able or willing to press home their attack to the point of a split.

Reformist ideas were able to gain ground in the SPD and this was to have disastrous consequences. Reformism bred loyalty to the German state and left the German workers' movement hopelessly unprepared for the moment, in 1913-14, when capitalism's "peaceful" expansion gave way to rivalry, crisis and war.

One hundred years later we are faced with a very different situation in world capitalism. Bernstein justified his belief in piecemeal reforms on the basis of capitalist stability and growth. But today's reformists point to capitalism's weakness as a justification for their weak-kneed programme.

However, a common thread connects these approaches. Both fail to understand that the capitalist system cannot avoid crisis and collapse and both refuse to recognise that only working class revolution is capable of ending the misery and chaos of capitalism once and for all. ■

### Bernstein's programme of social reforms was not an interference with capitalist exploitation but a normalisation and systematisation of it

technology and the objective conditions of the labour market. The notion that trade unions and social reforms could simply take over the state was based on an illusion.

Bernstein's programme of social reforms was "not an interference with capitalist exploitation but a normalisation and systematisation of it," said Luxemburg. Any notion that the workers could take over parliament and democratic institutions and wield them in their own interests ignored the fact that these institutions were class institutions: "As soon as democracy shows a tendency to renounce its class character and become an instrument of the real interests of the people, the bourgeoisie and its political representatives abandon democratic forms."

Luxemburg accurately predicted what would happen if the movement was divorced from the goal of socialism. It would lose any way of judging its day-to-day practice. Class politics would make no sense. Instead "a compensation policy and conciliatory statesmanlike shrewdness" would replace it.

At the SPD Congress in October 1898 Bernstein's ideas were attacked and defeated. Parvus was allowed to speak in the debate. Bernstein, still exiled in London, had a statement read out by one of the party's founders, August Bebel. The leadership's response to the two protagonists could not

**T**ODAY THE word Zeitgeist is used to mean a general "spirit of the age". But the term itself derives from the theories of the German philosopher Hegel (1770-1831) and in particular his notions of the World Spirit and Absolute Idea.

Hegel's theories were very influential on the founders of modern scientific socialism – Karl Marx and Friedrich Engels. His insights were outlined in one of the most important works of nineteenth century philosophy, the *Phenomenology of the Spirit*.

In this book, Hegel charts the development of human consciousness throughout history. History is presented as a long and winding progression of ideas, in which human consciousness attempts to become aware of itself as a totality. He describes isolated individual consciousnesses, at first divided one from another, gradually reuniting to enable humanity to become aware of itself.

To illustrate what he meant, Hegel invented a parable. Two men encounter one another, and become aware of their own self by understanding that the other is an obstacle to his interests. Each then enters into a struggle with the other for recognition of their self. One of them submits rather than be killed and becomes a slave.

The slave obtains recognition, but only by being reduced to an object. The master, however, can never achieve this recognition. Instead, the slave learns that he is not the only person in the world – through his labour he sees himself reflected in the world around him. The slave gradually learns independence, while the master remains dependent.

Hegel's tale speaks of how desire and conflict are central in human history.

Where does the Zeitgeist come into this? For Hegel, the history of humanity was one of ideas and consciousness. Mind and spirit came before matter. The material world was a reflection of an Absolute Spirit or Idea (God).

Creation, the development of humanity and the progress of human ideas towards the ultimate goal of human self-knowledge were all stages in the evolution of the Idea or Spirit. At the end of the process the Spirit comes to know itself and finally realises that "its Becoming, History, is a conscious self-mediating process – Spirit emptied into Time."

Despite the mysticism, some of the components of what became Marxism are recognisable here: history involves constant change, that change occurs through struggle, which in turn gives rise to new struggles and higher levels of change, culminating in freedom.

In a later work, *The Philosophy of History*, the Spirit develops in antagonism to its opposite, nature. The whole of history was seen as a progression away from subjugation to nature and towards freedom. Finally, man comes to realise that all men should be free.

The great strength of Hegel's approach was his stress on change and development in history. He pointed to the antagonism between man and nature as a driving force for social advance, and identified the struggle for freedom as a key determinant of political and cultural change.

All of this was possible because of his greatest discovery: the logic of

change, or dialectic. This stressed that history was to be understood not in discrete components but as a totality, and insisted that change and motion are the only constants in the universe. The source of change is contradiction – everything is in motion as a result of a struggle within itself of contending forces.

But the fundamental flaw in Hegel's entire system was the whole idea that Spirit or consciousness are primary and precede matter. This idealism was an old religious and philosophical prejudice. Matter is supposed to be a reflection of one big Idea (God), rather than ideas being reflections in the brain of our experience of the really existing universe (matter in motion).

So in Hegel's parable of the master and the slave, the two men are in struggle over the desire for recognition and self-consciousness: it is a battle of ideas. And for Hegel, the end of the process of history is reached when Humanity becomes conscious of itself.

So when Hegel "discovered" the way the Absolute Spirit had unfolded, the process was complete. Sadly this led him to claim that the despotic Prussian state under which he lived was the highest form of human society and embodied the fullest possible freedom!

After Hegel's death his followers split. The Right Hegelians used his theories to preach obedience to the King of Prussia. The Left Hegelians used his emphasis on change and struggle to take the fight for freedom further.

Marx and Engels upheld Hegel's dialectic method, the idea of change through struggle and inner contradiction. They also applied this method to history. But they threw out Hegel's Absolute Idea or Spirit.

They looked for a materialist explanation for the development of history and the struggle of humanity with nature and with each other.

Instead of history being the progress of a spirit or a set of ideas, Marx and Engels identified mankind's struggle for the necessities of life as the driving force of history. The master and the slave struggle not for "recognition" or "self-consciousness", but for control of society's surplus product. The slave doesn't just educate himself towards freedom. He overthrows the master.

It is not the abstract idea of freedom but the necessity of struggle for the means of subsistence that creates the struggle between classes. In modern society the world is divided more and more into two great classes standing in antagonism to each other: the capitalists and the working class. The latter will lead the fight to end exploitation through revolution and the building of a communist, classless society.

We will overcome our alienation one from another by collectively abolishing want, competition and class division. We will become self-conscious as a species by the rational planning of society to meet our material and cultural needs.

The revolutionary element of Hegel's world-changing ideas is upheld only by Marxism. It transcends his idealist schema and replaces it with a guide to revolutionary action. The "Zeitgeist" demands of us that we struggle, in the words of the Communist Manifesto, for "the forcible overthrow of all existing conditions." ■

## USA: Organised labour after the UPS strike

# Beginning to

The Teamsters won a famous victory over UPS in the summer and gave new heart to the entire trade union movement after years of decline. **G. R. McColl** and **Mark Harrison** look at the prospects for further working class victories and at the current scandals and battles that have engulfed the Teamsters' union since the UPS strike

**AFTER SERIOUS** defeats for unions in the USA during the 1980s and early 1990s, the recent victory by the International Brotherhood of Teamsters against the multinational freight transport company United Parcel Service (UPS) has sparked hopes of a dramatic revival in the prospects for the organised working class in the world's most important imperialist power.

Certainly the outcome of the Teamsters' 15-day strike against UPS did much to exorcise "the PATCO factor" – a reference to the Reagan administration's devastating 1981 attack on the

small, historically conservative air traffic controllers' union. Its 11,500 members were summarily sacked and its shop stewards led to court in leg irons.

While not every major strike of the ensuing 15 years ended in defeat, victories were as rare as rain in the Sahara. And while there have been significant local victories in the past three years achieved by wildcat action at General Motors plants in Ohio and Michigan, these did little to arrest the persistent long-term decline of US unions.

In the mid-1950s, at the height of the Cold War, US unions represented around a third of the total workforce.

By the 1990s – in a decline which began before Reagan's presidency – union density had plummeted to 14% overall and only 10% among workers in the private sector.

### Marginalisation

The practice of "apolitical" (in essence right wing) business unionism, which became the norm in the US during the post-war economic boom and the virulent anti-communist climate of the Cold War, paved the way to the decades of defeats and marginalisation. The unions never broke with the open bosses' party, the Democrats, even to

the extent of founding their own reformist, social democratic party.

By the mid-1990s, even within the higher reaches of the union bureaucracy, the realisation had dawned that if something didn't change the unions were in danger of spiralling even further downwards in terms of members and influence.

The 1995 AFL-CIO (trade union federation) convention elected John Sweeney to succeed the anonymous right winger Lane Kirkland, who had presided over 15 years of decline. By comparison, Sweeney seemed a left-wing firebrand.

He had moved into the top post at the AFL-CIO following several years at the helm of the Service Employees International Union (SEIU). This organisation had not only weathered the Reagan and Bush years, but had actually achieved dramatic growth among low-paid janitors, domestics and other workers in hotels, hospitals and similar workplaces.

The SEIU had earmarked a substantial chunk – up to 45% – of its annual budget for recruitment purposes. At the same time as he remained wedded to Bill Clinton's increasingly right-wing Democratic administration,

# Teamsters: Kick out the Feds, the mob and the bureaucrats

**UNTIL A FEW** weeks ago Teamsters were basking in the glory of a unionisation drive that had brought in members not merely from the union's historic base, the truckers, but from the airlines, the hotels and even Disney World. Their victory over UPS made them the talk of the labour movement and the target of a vitriolic witch-hunt by the *Wall Street Journal*.

Now they are reeling from yet another financial scandal. Top officials are in prison and their president, Ron Carey, himself a former UPS driver, has been barred from standing for office. What is going on, and how should militants respond?

### Reputation

Still more than one-million strong, the Teamsters occupy both proud and shameful places in the history of organised labour. Founded in the early part of the 20th century, the union established its reputation as a peerless defender of semi-skilled European immigrant workers and their descendants during the Minneapolis General Strike of 1934. This battle, led by the early Trotskyists of the Socialist Workers Party, was also an education for a man named James Hoffa.

Hoffa went on to become a ruthless union organiser and eventually union chief. During his presidency of the Teamsters, the penetration of the union by organised crime became all-pervasive. The organisation became synonymous with corruption, while Hoffa quite literally disappeared from the scene in 1975, the probable victim of a still unsolved mob murder.

After Hoffa, an ever more parasitic collection of bureaucrats on the take ran the union like a personal fiefdom, awarding themselves wages of up to \$250,000 a year. The union disaffiliated from the AFL-CIO in 1967 and endorsed the presidential campaigns of both Richard Nixon and Ronald Reagan.

The symbolic culmination of the Teamsters' decline came at a union convention in Las Vegas, where stage-hands

carried then president Jackie Presser on to the platform in the fashion of a Roman emperor.

In the face of corruption on a grand scale and a regime that maintained control with thuggery, rank and file militants formed Teamsters for a Democratic Union (TDU). The TDU fought a brave battle to win far reaching internal reforms in the union and to defeat mob control. Victory appeared to have been won in the early 1990s, but at the cost of a disastrous compromise with the state – the union allowed the federal government, through an overseer, to wield control over many aspects of its affairs.

A candidate with the TDU's enthusiastic support, Ron Carey, finally captured the union's presidency in 1991. He secured re-election by a margin of only 2% in late 1996, when his opponent was none other than Jimmy Hoffa junior. Hoffa's son, a labour lawyer, has never really escaped from the long shadow cast by his father's ties to organised crime.

Carey's record over five years was not especially impressive, but he was widely credited with being Mr Clean as far as union finances were concerned. Above all he was seen as the architect of the victory at UPS.

Within days of the Teamsters' victory, however, a federal government official charged with monitoring the union's affairs declared Carey's re-election void. Investigator Barbara Zack Quindel concluded that Carey's campaign had diverted funds from both the union's coffers and employers to secure the narrow win over Hoffa.

The once clean image of Carey was severely tarnished and subsequent allegations against some of his bureaucratic lieutenants led to criminal charges and

guilty pleas in the courts. On 17 November Carey himself was barred from seeking re-election by a Federal overseer. Jimmy Hoffa, whose election campaign fund stood at \$1.8 million, has also been placed under investigation, but he is now in a strong position to reclaim the union for the "old guard".

### Ties

Hoffa claims that the Carey scandal revealed that the new leadership are the real corrupt elements and that this corruption stems from their ties to the Democratic Party and Clinton administration. The Hoffa camp's pitch is that they will win the union back for the members from the clutches of the Federal government. The fact that the Carey election fund was allegedly channelled through Democratic sources will give this pitch some credence.

But the real lesson for Teamster militants is that the fight to transform their union must combine a relentless struggle against the entire bureaucracy – the old guard symbolised by Hoffa junior and the Carey "reformers" – with a struggle to free the union from state control.

There is little doubt that the state knew about Carey's alleged financial chicanery to boost his election fund. There is equally no doubt that they chose to ignore it until he led a decisive struggle against the UPS bosses. As soon as he did this the bosses exacted their

revenge, imprisoning his supporters and barring him from re-election. They cannot tolerate effective union opposition to their drive for profit. Carey is the fall guy, and the bosses are determined he will never get up again.

Anybody blind to the fact that the



Ron Carey: accused of corruption

move against Carey is directly related to his role in the UPS strike is blind to the reality of the class war. But while a fight to defend the Teamsters from the state is urgent, it would be a grave mistake for militants to rally around Carey as a would-be leader in this fight.

Carey's reforms were carried out from the top – clearing out his opponents, not fundamentally restructuring the union to make all officials accountable, to deprive all officials of their inflated salaries and to place decision making in the hands of the rank and file. Trusting in Carey to carry out such a programme was a big mistake, regardless of whether or not he is found guilty of the allegations against him. Bureaucrats cannot democratise the unions.

And, leaving the state's right to interfere in the union intact – in the belief that it was a safeguard against the resurrection of mob influence – ignores the central fact about that state: that it is the guardian of capitalism's interests against the working class and that it will tolerate "reforms" only to the extent that they do not impinge on those interests.

The TDU, tragically, made both mistakes. They trusted Carey and they trusted the Feds. Even now, faced with the glaringly obvious truth of these dangers, TDU national organiser, Kenneth

Paff, told the *New York Times*:

"We are asking for as full an investigation of Hoffa as they did of Carey. We believe that a full investigation might uncover that employer money or mob money had been funnelled into the Hoffa campaign."

### Ignores

This plays right into Hoffa's hands. He pledged to free the union from control by a Federal "financial Tsar". It also ignores the fact that whether or not Carey did anything wrong (he has taken leave of absence to prove his innocence) his ties with the bosses via the Democratic Party implicate him in a strategy of disastrous class collaboration and potential financial wrongdoing, notwithstanding the UPS strike.

Carey's stated attitude that "I don't think members care about fund-raising" points to an underlying contempt for ordinary Teamsters intelligence and commitment to the cause of cleaning up their organisation. It underlines why the TDU were wrong to place their faith in him (as were the so-called Trotskyists of the United Secretariat of the Fourth International who also became Carey cheerleaders) and in the neutral role of the state.

The UPS victory is a potential turning point for the labour movement. The bosses are hitting back. Of course they are playing dirty and of course they have their sights not only on Carey but also his supporters in the AFL-CIO, like Trumka.

In the face of this we need to revive the original goals of the TDU – the fight for rank and file control of a thoroughly democratised union, capable of waging militant struggles in its members' interests. But it also underscores the point, that to escape from the clutches of corruption the working class needs to escape from its political subordination to the parties of US big business.

The spirit of the UPS victory can and must be kept alive – not by Carey, or his chosen successor, or Hoffa or the state, but by the workers who actually fought and won that victory. ■

# turn the tide

Sweeney injected the SEIU's "recruit or die" sloganeering into AFL-CIO's everyday vocabulary, enthusiastically launching the so-called "union summer" offensive in 1996.

Sweeney's deputy, former United Mine Workers' president, Richard Trumka, spoke the language of class war, unleashing attacks on the "naked greed of corporate America". The fortunes of the recruitment drive were mixed, as the bureaucracy stressed the techniques of "corporate campaigning" such as protests at shareholder meetings and calls for consumer boycotts rather than workplace organisation and strike action to secure negotiating rights.

Nonetheless, the organising drives have scored real gains, with union recognition agreements including private hospital workers in Arizona and hotel staff in Virginia. The "union summer" and a subsequent commitment to \$20 million proved useful public relations exercises, persuading many activists that it was no longer business as usual at the AFL-CIO.

Structural circumstances are currently favourable to the growth of union membership. Official unemployment rates have fallen to 4.9% nationally – the lowest level since the early 1970s. In a number of major US cities, labour markets are very tight and wages have begun to creep up, especially for skilled, often non-unionised occupations where increases have outstripped the headline inflation rate.

This background, combined with the treatment meted out to its part-time workers, fuelled the bitter dispute between UPS and the Teamsters, one of the surviving bastions of an earlier

wave of unionisation (see *Workers Power* 214). Part-time wage rates at UPS had been static since 1982, even as some casualised employees were required to work up to 65 hours a week.

The Teamsters' long-running media campaign prior to the 15-day strike in August highlighted the reality of working life for tens of thousands of UPS employees and tapped a rich vein of sympathy within the US working class as a whole. The strike itself, solid from day one, won enormous support throughout the US working class.

UPS bosses caved in and made a number of major concessions. It withdrew its proposals to take control of the pension fund away from the union and also agreed big across the board wage rises for both full and part-time workers.

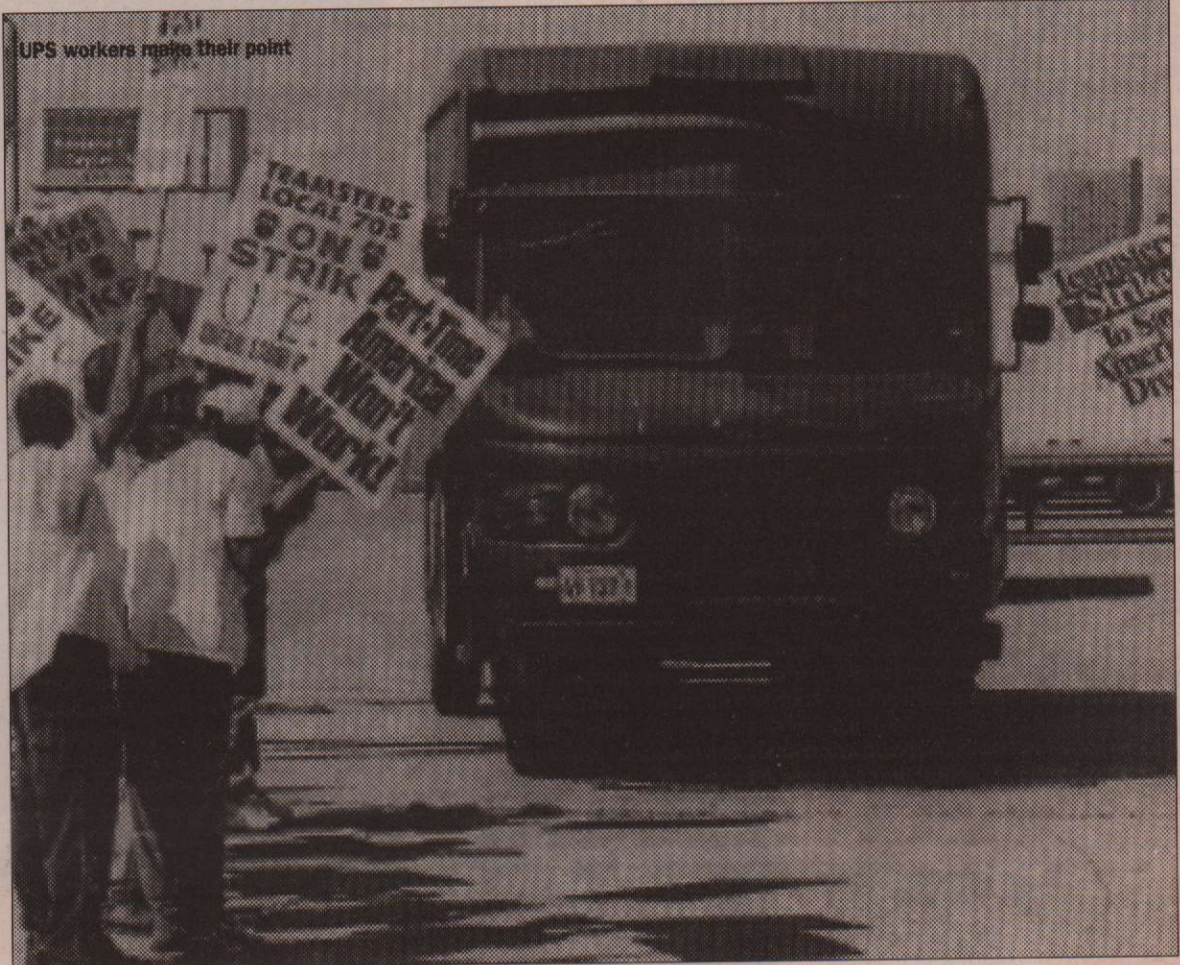
The employers also pledged to upgrade more than 10,000 part-timers to full-time status.

Within a month of the Teamsters' victory, workers for the Bay Area Rapid Transit Authority in the San Francisco-Oakland area, staged a successful strike for a wage hike.

## Hope

Even in the bitter, two-year old battle between printworkers and newspaper bosses in Detroit, there was a glimmer of hope as a federal court ordered the reinstatement of the sacked strikers. Suddenly, socialists and union activists in the US had a reason to believe that a turning point in the long-term decline of US unions had been reached.

Even so, the terrain of struggle is set to change. There are harsher times ahead. The US economy has enjoyed



a prolonged recovery from early 1992 onwards, dramatically cutting jobless rates, and so reducing the fear of mass sackings and the recruitment of scabs in the event of a strike. The recent instability on global stock exchanges, which also hit Wall Street in the last week of October, dropped a big hint that recession may loom in the not too distant future.

In this context, the political weakness of organised labour in the US could well prove decisive. The AFL-CIO bureaucracy is increasingly alienated

from the Clinton presidency, symbolised by the frosty reception Clinton received when he spoke to its September convention.

But the union bureaucracy gave no indication, in the campaign around the Congressional mid-term elections, that it was about to sever its ties to the Democrats. They poured millions of dollars into the Congressional campaigns of supposed "friends of labour", undoubtedly saving a number of Democrats' seats in the process.

The organised working class has

won a respite from a long record of industrial defeats. It must build on its industrial victory and move towards real political independence.

The creation of a workers' party, based on a programme for the revolutionary overthrow of racist US imperialism is vital, not only in defending and extending to other workers the gains won in the UPS strike, but also for the creation of a society in which production takes place on the rational basis of democratic planning by the workers themselves. ■

## Argentina: fight the repression

**O**N 16 OCTOBER thousands of workers and youth demonstrated against the visit by President Clinton to Argentina.

The Argentinian government, along with the support of the so-called opposition parties, has been busily introducing policies agreed with the IMF and promoted by the Clinton administration. There have been sharp attacks on the provision of education with the introduction of tuition fees. There have also been severe cutbacks in state spending on social and healthcare services.

Previous governments had overseen a massive wave of privatisation with major state industries being bought out by companies from the United States and Europe.

The demonstrators against Clinton met with a brutal response from the state. The police used tear gas and beat demonstrators with long batons. By the end of the protest there were scores of people seriously injured and over 200 arrested.

This is not the first time in recent years that the Argentinian state has used violence and repression. Already

there are around 600 political activists, strikers and unemployed organisers in jail or on trial for daring to struggle against the government.

The police attacked protests by the unemployed in the Jujuy region (on some of these occasions the police came off worse as local people rallied to the defence of the demonstrators and saw off the police). Repression was also used against the pickets in the Cutral C6 strike. Argentina has also witnessed terrible police repression against young people with 400 cases of "trigger-happy" policing.

Behind all of this is the continuing struggle against those responsible for the mass murders under the Argentinian dictatorship of 1976-1982. Thirty thousand Argentinians "disappeared" during the dictatorship. Yet, despite "democracy", the torturers and killers have not been brought to justice. In fact there is a concerted effort by the main political parties to bring in laws giving these people legal immunity from prosecution.

Below we reprint sections of the declaration from the Centre of Professionals for Human Rights. This is an

organisation of lawyers, journalists and other professionals in defence of human rights. They are asking that all human rights organisations, political parties, trade unions, student groups should sign and support the declaration and join the international campaign.

Already in Britain the appeal has been signed by: Labour MP, Ken Livingstone; Liverpool dockers' leaders, Jimmy Nolan, Bobby Moreton and Jimmy Davis; Magnet strike leader Ian Crammond and members of Workers Power and the Socialist Workers Party, on behalf of their organisations.

"The Centre of Professionals for Human Rights (CEPRODH), following the repression unleashed against those demonstrating against the presence of Clinton, calls for the launch of a great national and international campaign demanding the immediate dropping of charges against those arrested and an end to the persecution of worker, popular and left activists.

We launch this declaration to be signed by human rights organisations, student organisations, trade unions, political parties and political person-

alities who are for the defence of democratic rights.

The Events of Thursday 16 October:

The repression was directed against the march in repudiation of Clinton's visit that had been organised by left-wing parties (PTP, MST, PC, Patria Libre, PO, PTS, and others), the CORREPI (a lawyers' organisation for human rights and against police repression) and the Committees against Repression and Impunity.

The Federal Police displayed an impressive apparatus. Taking advantage of some bank and business windows being smashed (whose protagonists are not known to us as having been members of the organisations that called the demonstration), when the main part of the demonstration (in which pregnant women and children were participating) was beginning to disperse peacefully, the repression started with tear gas directed not only at the head of the march but also at its tail.

The police's intention of brutally attacking the demonstration was shown by an operation that covered twenty blocks and culminated in the

arrest of more than 200. The police beat demonstrators like the case of CEPRODH member Guillermo Fernandez who was attacked by five police who charged out of a van and who had to be hospitalised where he was diagnosed as having "trauma to the lung and a pneumothorax".

The Federal Police also detained the drivers of the floats hired by the PTS, MAS and PO for more than 18 hours. A large number of those arrested were more than 20 blocks away from where the demonstration was as was the case with the police surrounding the local offices of the PO and with the arrest of a great number of members of the Committees against Repression and Impunity of greater Buenos Aires and militants of the PTS when they were travelling on buses on their way back home.

● You can send your support for this declaration to the following addresses:  
E-mail: marielaross@ciudad.com.ar  
Fax: (+54-1) 951-7596  
Postal Address: CEPRODH, Hipólito Yrigoyen 2085, 1° Piso Oficina "2" – (1089) Buenos Aires, Argentina.

## ALGERIA: state crackdown on demonstrations

# Workers can stop the bloodshed

**T**HE DEATH toll in Algeria's civil war rises daily. Each month brings new tales of terror: more than 1,500 unarmed civilians have been murdered since July in the small area to the southwest of Algiers known as the "triangle of death".

According to Amnesty International, Algeria has the world's worst human rights record. Algerians have dubbed their country a "blowtorch democracy" – a grim reference to a common form of torture used in the "dirty war".

The question most Algerians have been asking, and that some Western commentators and politicians have belatedly posed is: "Who is doing the killing?"

Survivors from recent bloodbaths in towns like Rais and Benthala, 20 kilometres from Algiers, told how soldiers and tanks stood by, while masked militiamen spent five hours carrying out macabre slaughter, leaving hundreds dead. Whether these are the acts of the Armed Islamic Groups (GIA), other Islamic factions, "Patriot" militias, set up by the army, or indeed the army's feared "ninjas" is hard to tell. What is certain is that the Algerian army is not prepared to protect ordinary civilians.

### Undermine

In fact, the faction-ridden Algerian state is promoting rival strategies for dealing with the GIA and the Islamic opposition as a whole. As we reported in October, the majority has sought to undermine support for the Islamic Salvation Front (FIS, which won the nullified December 1991 elections) by

drawing the more moderate Islamists into the government. Opposed to this strategy is the "eradicationist" faction, which wants a military crackdown.

Although the majority line has brought significant results for the regime, notably the FIS ceasefire in early October, the 23 October municipal elections marked a change of tack by the Algerian state.

The ruling National Democratic Assembly (RND) won more than half the seats, leaving it in control of all but two districts. The elections have been

condemned by all the opposition parties as being blatantly rigged, with evidence of multiple voting. Opposition party workers were expelled from the counts at gun-point by the army.

The election results triggered immediate mass demonstrations. On 27 October 10,000 took to the streets. Three days later, more than 20,000 marched. Led by the Socialist Forces Front and the Workers Party (PT – centrist "Trotskyists" from the Lambertist tradition), the demonstrators called for President Lamine Zer-

oual's resignation and declared they would "turn Algiers into Belgrade", referring to the mass movement against Serbian President Milosevic's fraudulent poll.

By 3 November the mass movement was still growing. Zeroual's response was swift. Riot police broke up the rallies as Zeroual ominously declared, "the page of political crisis has turned". The elimination of virtually all opposition parties shows that the "eradicator", led by hardline general Smain Lamari, have won the ruling class faction fight. The participation of the FIS in the demos explains Zeroual's comment that: "The FIS file is closed, definitively closed."

### Demands

The western imperialists are not happy with this turn of events. While the IMF is impressed with the military regime's record on opening up the oil and gas fields, cutting public spending and shedding "unproductive" jobs, it wants more. The 1994 structural adjustment programme demands privatisations and further welfare cuts.

The USA has urged Zeroual to incorporate moderate elements of the FIS in order to isolate the GIA's guerrillas. The Americans can't afford to oversee a military solution: if they didn't like Somalia, they're going to hate Algeria!

Crucially, the Algerian working class has shown signs of recovering from the oppression unleashed after the 1992 military coup. This summer's mass strike wave has been followed by militant demonstrations in the face of the army and the viciously anti-working

class GIA militia. The imperialists' nightmare is that the Algerian workers' movement – which despises both the state and the fundamentalists – may impose its own solution.

Middle class oppositionists draw comfort from French and Italian support for a UN diplomatic intervention and an inquiry into the election frauds. Such hopes are completely misplaced.

France has played a bloody role in Algeria. One million Algerians were slaughtered in the 1950s and 1960s as the French state battled to hang on to its colony. On 17 October 1961, the French police massacred 200 unarmed Algerian demonstrators in central Paris – an atrocity on a par with the recent bloodbaths in the Algiers' suburbs. Until last month, the EU, led by France, was happy to secure 30% of its gas from Algeria, while turning a blind eye to the military regime's reign of terror. Even today, EU states persistently turn away Algerian refugees, claiming that they face no threat.

The danger is a further round of repression that would crush the burgeoning movement before it began to achieve results. General Smain's elite "Squadron of Death" will feel emboldened to intimidate all opposition.

Algerian workers and socialists must place no trust in the sudden "humanitarianism" of the west. Crucially, they must not limit themselves to actions and goals supported by middle class oppositionists and the UN. Building on the strikes and demonstrations, Algerian workers need to organise councils of action and their own accountable, armed defence squads to defend mass actions. In particular, the call for a general strike, raised after the elections, should be turned into a reality.

In Europe, socialists must expose the hypocrisy of the bosses and their media who have only "just" learned about the massacres in Algeria. We should demand free entry for Algerian refugees into all EU states, and stand against any imperialist intervention, be it diplomatic or military. In Algeria, now, socialists should fight for:

- General strike
- Arm the workers.
- Form councils of action.
- End austerity and privatisation.
- For a constituent assembly, convened under the protection of workers' militias.



The human toll: Algerian women mourn victims of the dirty war.

## IRAQ: "Great powers" fall out

# Clinton's climbdown

The Middle East still teeters on a knife edge. **Jeremy Dewar** looks at the background to November's humiliation for the USA's in the row over weapons inspectors in Iraq.

**T**HE MIDDLE East was supposed to be the cradle of the "New World Order" proclaimed by US President George Bush, after imperialism's bloody triumph in the 1991 Gulf War. Six years later it remains among the world's most unstable regions. The Israeli-Palestinian "peace process" is in tatters after Prime Minister Benjamin Netanyahu announced further Zionist settlements on the West Bank. Egypt, long considered the most stable Arab power, was rocked by the Islamic fundamentalist massacre at Luxor.

Underlying this explosive situation is a growing disillusionment with western, especially US, control of the region's politics and economics. At the same time, the world's "great powers" are no longer united on how best to police the Middle East, which still holds over half the world's oil reserves and remains strategically important for the whole capitalist system.

The grand coalition assembled by Washington after Saddam's August 1990 invasion of Kuwait is broken and beyond repair. The mounting tensions between major capitalist powers have, once more, come to focus on Iraq.

Since the military defeat in 1991, Iraq has suffered six years of economic sanctions. These have cost the country over \$100 billion in lost oil revenue and deprived millions of Iraqis of medicines and foodstuffs. Meanwhile, the UN Special Commission (UNSCOM) drags out its interminable search for Iraq's "weapons of mass destruction" – which must be completed before any lifting of sanctions.

The latest crisis erupted in late October. The USA tried to turn the screw on Iraq after Baghdad had turned away and then expelled US inspectors in the UNSCOM team. Within days, the US and Britain ordered aircraft carriers, replete with cruise missiles and fighter planes, to head for the Persian

Gulf and prepare for a military showdown.

Bill Clinton declared: "This is not a replay of the Gulf War. This is about the security of the 21st century." Tony Blair, accurately described in the Iraqi press as Clinton's "stooge", also weighed in, warning that if Iraq were not put in its place "the consequences for not just that region, but for the whole world, would be disastrous".

### Indication

The USA has bombed Iraq three times since the Gulf War, so this was no idle threat. Yet, in the space of a few days, the crisis dissipated as quickly as it had emerged. France and Russia brokered a deal. This restricted US inspectors to no more than 20% of the UNSCOM team, promised a speed-up in the weapons-monitoring process, relaxed the sanctions and gave Iraq a clear indication of when they would be lifted.

For once, Saddam's propaganda sheets were not lying when they heralded this as a victory for Iraq and a defeat for the USA.

So, why did it happen? Quite simply, the USA and Britain found themselves isolated. In particular, the Arab

and other Muslim countries became increasingly hostile to a military strike as the crisis mounted. Virtually all the region's states, including such staunch Gulf War allies as Egypt, Syria, Saudi Arabia and Morocco, boycotted the Middle East – North Africa (MENA) conference in Qatar. MENA was set up by Washington as the economic forum to underpin the Oslo accords. The boycott underlined the Arab powers' profound disillusionment with the Israel-Palestine peace process.

These Arab rulers could no longer support an accord which sees Israel disregard UN resolutions with impunity, while Iraq gets punished without respite. *Al-Ahram*, Egypt's official newspaper, put it thus: "US inspectors have contrived disputes over extremely trivial details to prevent UNSCOM declaring 'mission accomplished'." Even the Kuwaiti foreign secretary, Sheik Sabah, said, "Any military attack would harm the Iraqi people and neighbours."

Similarly, the White House could find no allies among the great powers beyond Britain. This was not because France and Russia have suddenly started to care about "the Iraqi people and neighbours". As always, economic self-

interest and the opportunity to reassert their status as "world players" lay behind their refusal to reconstitute the Gulf War Alliance.

Both Russia and France are owed billions of dollars by Iraq – debts dating back to the 1970s. Even more importantly, both countries have lined up gas contracts worth \$2 billion with Iraq. Neither the repayments nor the contracts can be realised unless sanctions are lifted.

This is a setback for US strategy in the Middle East. The "dual containment" policy hinges on sanctions against Iran as well as Iraq. The former, a unilateral US policy, threatens action against any company dealing with Iran. France's Total and Russia's Gazprom have recently struck big deals with the Iranian regime. No wonder then they were keen to dent the US's "dual containment" strategy.

Sanctions and air strikes will not improve the lot of the Iraqi people. At the height of the crisis, the Americans even considered supporting Barzan Takriti, Saddam's half-brother, who set up the hated Mukhabarat secret service and invented the acid bath tortures, because he would be a more pliant tyrant!

As for the Pentagon's claims that Iraq had enough nerve gas to poison the whole world, this was a bit rich coming from the only power to ever use atomic bombs in war. The USA, Britain, France and Russia – and Israel – have enough nuclear weapons to blow us all up a hundred times.

### Tyrant

Socialists call for the immediate lifting of sanctions against Iraq and for the withdrawal of all Western forces from the region. We do not do this because we support Russia or France against the USA and Britain. Nor do we give an ounce of support for Saddam Hussein's bloody regime. But continuing sanctions allow Saddam to pose as an "anti-imperialist", at the same time as driving the Iraqi people into grinding poverty. Any alternative to Saddam, acceptable to imperialism, will be a tyrant in the pocket of one or the other of the Western powers.

It is the task of the Iraqi people to get rid of Saddam. As always, any defeat for imperialist policy in the Middle East – even if inflicted by a reactionary dictator – remains, objectively, a victory for the workers of the whole world.

- Lift the sanctions against Iraq and Iran now!
- Western and UN troops out of the Gulf now!
- Down with the Oslo peace accords!
- Down with Saddam and the bloody Ba'athist regime!

## ECONOMY: Asia sneezes...

# We all fall down?

As the world economy hovers on the brink of financial crisis **Colin Lloyd** answers some basic questions about the causes and consequences of the events so far

## WHY IS THE WORLD THREATENED WITH FINANCIAL CRISIS?

During 1997 a crisis in the second tier of developing industrial economies in South East Asia has mushroomed, creating serious problems for world capitalism.

South East Asia has experienced breakneck growth and industrialisation in the last 20 years. But much of this has been financed by dodgy lending. A number of contingent factors combined recently to slow down growth, and thereby profits, among the second tier of "Asian tiger" economies – Indonesia, Philippines, Malaysia and Taiwan. This exposed their currencies as being over-valued. The currencies collapsed, knocking up to 40% off the "world" value of capital held in these currencies and leading to stock market crashes throughout the East. (see "From crash to slump?" *Workers Power* 216)

Since then two major ingredients have been added to the crisis:

■ 21 November saw Korea declared virtually bankrupt, with its politicians crawling reluctantly to the International Monetary Fund (IMF) for loans of up to \$50bn.

■ Four days later Yamaichi, the fourth biggest stockbroker in Japan, went bankrupt with debts of \$24bn, exposing the weakness of the entire Japanese banking system.

This has made a major dent in the confidence of the big imperialist economies. *The Economist* wrote in late November:

"When financial turmoil was confined to the small economies of South East Asia it was easy for the rest of the world to shrug off. No one is shrugging now."

## WILL THERE BE A WORLD RECESSION?

None of the capitalist economic pundits are yet prepared to predict a world economic slump on the scale of the early 1930s. But many of them have begun to trace out plausible routes from today's Asian crisis to a future world recession.

Recession in South East Asia is certain next year. If Japan's banks collapse the second biggest imperialist economy could be plunged into deep recession too. A financial restructuring package could avoid this, but the cost of the rescue could lead to Japanese capital pulling its investments out of Europe and America.

Meanwhile the currency devaluations in the Asian "tiger" economies could fuel a trade war between these countries and the big imperialist powers. And, as October's share-price roller-coaster demonstrated, the world's stock markets are still massively over-valued and due for a further fall.

Whether or not the crisis hits Europe and America immediately, it has already rebounded onto Latin America and Eastern Europe. The Latin American equivalent of the European Union, MERCOSUR, has already raised import taxes on externally produced goods by 25% to stave off the immediate threat of trade war. Last month Brazil avoided currency collapse only by imposing huge spending cuts and



South Korean bank workers' protest

raising interest rates. In Russia, the crisis ridden economy has been plunged into further turmoil following a withdrawal of overseas funds from the Russian bond market, forcing another crisis appeal to the IMF.

Yet the real masters of the world economy, the Group of Seven (G7) industrialised powers, have remained calm amid the crisis. At a Vancouver summit of Asian-Pacific economies President Clinton said:

"We have a few little glitches in the road here. We're working through them."

Optimists argue that the USA economy is fundamentally strong, following two decades of attacks on workers' wages and conditions, that decisive restructuring can stave off a banking crisis in Japan and that the EU will remain relatively screened off from the Asian crisis.

However there are human and political factors that the economists cannot predict using their graphs and spreadsheets: the national capitalist class in the countries worst affected by the crisis may try to make rival capitalists pay the price and the working class in Asia will attempt to fight attacks on their living standards.

## IS IT ALL THE FAULT OF ROGUE BUSINESSMEN IN JAPAN AND SOUTH EAST ASIA?

The western media likes to talk of "irresponsible" or "corrupt" dealing because this hides the deep roots of the crisis and implies that "normal" capitalism does not experience such crises. They also want to justify the massive shift in economic power to richer countries that will take place as the crisis is resolved.

The "international" agencies of capitalist regulation and control like the IMF, World Bank and World Trade Organisation, will follow the dictates of their big business masters in the G7 countries. They will demand the opening up of the Asian tigers' stock markets and banking systems to western businesses as the price of saving them from crisis. They will strengthen imperialism's grip on these develop-

ing economies.

In the process they will demonstrate that South Korea, contrary to the impression of some economists, remains firmly in the position of a semi-colony. It is economically dependent on imperialism, despite its rapid industrialisation and recent export of capital.

The crisis is probably deepest in Malaysia, Thailand and Indonesia. The imperialists have been falling over themselves to foist cheap loans on firms in these countries throughout the 1990s. Despite securing \$50bn to \$100bn in loans from the IMF, the markets in the weakest of the "tiger" economies have continued in crisis. Even after the IMF deal Malaysia's stock market fell 20%, down by 60% since 1 January 1997. Much of the Thai banking system had to be closed to prevent customers, who feared bankruptcy, withdrawing their money from banks.

The western pundits are blaming the instability on military dictators who have their fingers in the tills of the banks and construction projects. These same western critics were only too pleased to back undemocratic regimes while the profits were rolling in.

Similar problems exist in South Korea and Japan. While they are not dictatorships, both countries have regimes that tolerate indirect, secret state subsidies to individual capitalists as well as huge levels of potential

bad debt. Despite high growth rates, the profits of the big conglomerates in South Korea (the *chaebols*) are low and falling. The 25 top South Korean firms have debts three to five times bigger than their assets. In Japan 13 of the 19 biggest banks will report losses as a result of writing off bad loans.

There is a solution in both countries, but it will mean distress for sections of the capitalists as well as a massive attack on working class living standards. The IMF will demand massive cuts in government spending in South Korea as the price of its loan. The capitalists will use the recession to attack workers' wages and conditions. In Japan, the government is preparing a package whereby billions of dollars worth of public spending will be diverted into propping up ailing firms.

## WHAT? THEY ARE GOING TO SPEND TAX-PAYERS MONEY TO BAIL OUT INDUSTRY?

Yes, with the full backing of the Thatcher-worshipping "experts" of the *Economist* and *Financial Times*. Not long ago, these economic experts were bitter opponents of public spending increases and increased state borrowing. Now they are demanding a "wholesale bail-out" of the banking system. *The Financial Times* declared:

"The risk of contagion... requires the announcement of a plan to recapitalise the healthiest parts of the [Japanese] banking system along with a rapid and brutal closure of the rest. The risks and costs of prevarication are mounting daily." (18 November 1997)

Of course the cost of this will have to be borne by the Japanese working class. The western capitalists are not contemplating donating any of their own money to save Japanese bosses. Nevertheless these comments point to a sea change in capitalist economic thinking that is bringing to the fore the formerly discredited "Keynesian" ideas of state intervention and spending to stave off economic recession.

## WHAT DOES IT MEAN FOR THE CLASS STRUGGLE?

The onslaught has begun in South Korea. South Korea has an undefeated and militant working class movement which a few months ago staged a general strike in defence of job security legislation. Since the crisis began there have been numerous shut-downs across the heavy industrial and shipbuilding sector. Even after the 19 December election, the imperialists fear that the new government will remain weak: fearful of a head on confrontation with the working class and too enmeshed with individual banks and *chaebols* to ruthlessly administer the IMF's medicine.

A recession, with mass unemployment and attacks on already low wages, seems likely in the second tier of the tigers. Working class resistance is likely to merge, in the first phase, with "liberal" capitalist opposition to the dictatorships – particularly in

Indonesia, which saw strikes, barricades and mass repression in 1997 after the stooge legal opposition party became the focus for a fight against the regime.

The South East Asian recession will also reach Australia, whose exports to the region, including Japan, amount to 12% of GDP. The Australian workers' movement remains relatively well organised; as in South Korea, the decisive battles lie in the future.

The effect on the class struggle in Britain? It will be small unless the "worst case scenario" – a Japanese slump followed by a world-wide stock market crash and world recession – comes to pass. Nevertheless, the ideological effects on the class struggle, in Britain as across the globe, are huge. Capitalism's myths are crumbling. Only a few months ago the economists were telling us about a "new paradigm" – pioneered in the USA and exportable across the world – of high growth, falling unemployment, low wages and no inflation. This has been quietly shelved.

The very fact that they have to admit a slump is possible blows a hole in the ideology peddled by the capitalist economists and politicians. It has revealed their hypocrisy on public borrowing: what goes for hospitals and coal mines does not go for stockbrokers and banks. As their stop gap measures inflict huge suffering on a generation of workers, many of whom bought the lie about capitalism's progressive future, millions will search for a political alternative.

The cracks will appear even where the illusions are biggest: in the newly capitalist countries of Eastern Europe and those still in transition. Already thousands of Russian workers have been involved in protests over the non-payment in wages.

## IS THERE NO WAY OUT FOR THE CAPITALISTS?

As Lenin once said: there are no impossible situations for the capitalists. No socialist should rely on the mere fact of crisis to solve the problems of class struggle. But their "way out" will change the terrain of class struggle. At a strategic level, the capitalists need to make an historic adjustment to the rate of exploitation of the working class. This would involve the total demolition of wage levels and welfare benefits in the developed countries on a scale not yet seen. This in itself would create new problems, namely a massive drop in demand. However much the financial pundits try to treat strikes and workers' struggles as a kind of irritating "spin off" from economic crisis, class struggle is in fact central to the outcome of that crisis.

Strikes in South Korea and Thailand are struggles against the same global capitalist enemy that will sack workers across the board in Britain as the crisis spreads. Despite their addiction to "globalisation" in economics, our rulers will turn to nationalist rhetoric as working class resistance grows. Already the rulers of the hardest hit countries are mouthing loathsome nationalism. Mahathir, Malaysia's prime minister, blamed a "Jewish-capitalist conspiracy" for the 30% fall in his country's currency. The current smugness of the Western financiers, will turn to crude racist anger if the Japanese and South Korean bosses fail to make their workers pay for the crisis.

While there is no "final" crisis, the way out of crisis lies down a road that forks into two futures: revolution and war. And if that is the spectre haunting capitalism as the century draws to a close no Marxist will be surprised. ■

For a full background analysis to the crisis see *Trotskyist International* 25, published in January 1998 (details page 15)

## THE UNFOLDING CRISIS:

- 1990s: "Asian Tiger" economies boom throughout the decade using cheap labour and easy credit.
- June 1997: Slowdown in growth in South East Asia exposes bad debts and sends currencies crashing.
- October 1997: Hong Kong currency under threat. World stock markets slide, then bounce back as small investors refuse to believe the party's over.
- November 1997: Under threat from cheaper Asian imports, Latin America raises import taxes by 25%. Brazil's interest rates rise to 43% threatening recession.
- South Korea admits bad debts throughout the system. Government moves to bail out firms but has to approach IMF for loans of up to \$100bn.
- Yamaichi, Japan's fourth biggest stockbroker, goes bankrupt, sparking fears of a run on the banks and that Japan will drag the world into a 1930s style recession.

# REVOLUTION: Founding conference

# Revolutionary youth movement launched

**YOUNG PEOPLE** in Britain find it virtually impossible to claim any welfare benefits before the age of 18. We can't even vote until 18.

However bad the situation at home with families may be, we lack the economic independence to escape. Those who try to break free from abusive relationships, generally wind up joining the ranks of the homeless.

No one can have lawful sex in this country until 16; if you are a gay male the age of consent is 18. The possession of cannabis remains a crime. New Labour's super-rich friends continue to advertise cigarettes on their racing cars, but we may soon not be able to purchase tobacco legally until 18. But we can work full time and sign up for "our" country's armed forces when we are 16.

At the same time, the Government is hell-bent on introducing tuition fees and abolishing the grant for those wanting to go to university. Education is being turned into a privilege for the rich.

For all these reasons – and more – we need to build an independent youth movement, committed to smashing the system that is responsible for the oppression we face. Independent because youth need to learn from their own successes and mistakes. As the famous Russian revolutionary, Leon Trotsky said party members "should impose party decisions not by arithmetical predominance, but by discussion and conviction. We will never have a good youth movement if we deprive it of the possibility of independent development."

On the weekend of 22-23 November about 40 of us made a significant start in creating just such a movement. After 24 issues of *Revolution*, the fighting paper for working class youth, we held a conference to establish a truly independent and national youth group, linking the paper to local activities and groups.

Revolution had been developing as an organisation, and not just a paper, for months. Events like the Euromarch last June in Amsterdam, when Revo organised and filled a coach, showed that we needed to go beyond informal contacts around a paper and lay the basis for an actual movement that could carry out many more similar activities.

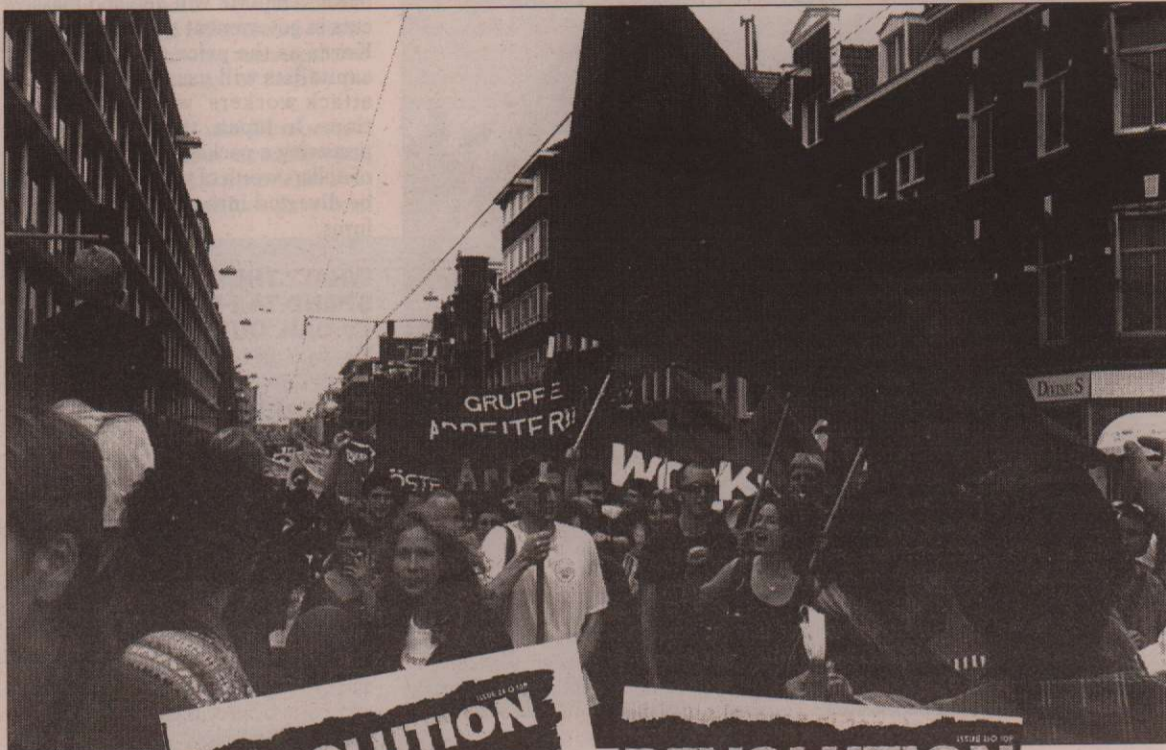
A conference had to be the next step to pull things together. And that's just what it did. It attracted individual young people and Revolution groups from around London, Manchester, Coventry, Stoke and Exeter. A majority of those present were not members of Workers Power and the majority of those who decided to join Revolution were not members of any political organisation before the weekend.

In contrast to some previous attempts to set up supposedly independent youth organisations, this conference was a show of real democracy. There were very open debates and discussions, followed by decision-taking by simple majority voting.

By the end of the weekend Revolution adopted a programme of anti-capitalist demands pointing the way towards creating a socialist society. We set up an accountable organisational structure, with the conference electing a recallable council of nine for the next year. And in the spirit of internationalism there were speakers from the USO, the Colombian oil workers' union that's been doing battle with BP, and from our sister group in France. The conference also welcomed an observer from the PTS of Argentina.

Over the weekend we broke up into

Last month a conference was held to establish a national, independent youth organisation; Revolution. It is a socialist and working class movement, organising young people in the fight against capitalism. **Adam**, from Coventry Revo, sent us this report of the conference.



a wide range of workshops in order to discuss specific issues, framed around draft proposals. Introductions of these position papers led to any questions, a look at any differences and some changes.

After the smaller discussions, we came together again for a report from each workshop and a discussion of the main points of contention, around amendments. The discussions were well informed and helped everyone focus.

The opening day's debates were on: reform or revolution; organising young workers; drugs, raves and the right to party, and the third world and imperialism. The first discussion, involving the whole conference, agreed that there was no way piecemeal reforms could meet our needs and aspirations. The conference agreed it was necessary to smash up the bosses' state through a working class revolution.

The discussion on organising young workers highlighted the need for democratic, fighting unions in which youth must play a central role. This means that there has to be an emphasis on recruiting young and casual workers generally, while maintaining autonomous centres for the unemployed.

This two-pronged drive among the least organised sections of the working class was seen as an important part of the fight to undermine the control of the bureaucratic union misleaders. The contributions of young workers actively involved in the TGWU's current recruitment drive, Respect at Work, among catering workers in London, really brought this discussion alive.

On drugs, speakers pointed out that black youth are often at the sharp

end, suffering most at the hands of the state's "war against drugs". In particular, the Criminal Justice Act had revived the use of SUS ("search under suspicion") laws, aimed especially at inner city youth. A difference arose in a discussion of the future of drugs in a socialist society: would there be a demand for drugs when alienation does not exist?

The imperialism discussion posed some important questions. The first related to well off workers in the west, "the labour aristocracy", and how it was bought off, especially in Europe and North America, by super-exploitation of the semi-colonies. This led on to some discussion about which side – if any – revolutionaries should support in a war.

We looked at the specific case of the 1991 Gulf War against Iraq in order to decide if we could support the military efforts of a capitalist class in the third world against an attack by the imperialist powers. Agreement emerged that it would have been entirely right to support Iraq against the US-led coalition, while at the same time exposing the reality of Saddam Hussein's brutal dictatorship and supporting its overthrow by the Iraqi working class and masses.

After exercising what rights we do have to party on the Saturday night, we managed to rouse ourselves for Sun-

day's discussions on the environment, racism, sex/sexism and sexual liberation. There were also sessions on Stalinism, Ireland and free education for all. The debates on racism and Ireland were straightforward. There were questions posed about the role of the police in the racism debate, and the Ireland debate

sparked a discussion of the nature of the loyalist working class in the six counties.

Emerging from the sex and sexual liberation workshop were points around the organisation of women both in the workplace and within workers' organisations. The laws against incest within consenting sexual relationships came up in a more general discussion of youth and the family.

Those of us already in higher education as well as some school students exchanged experiences around the fight so far against the abolition of the student grant and tuition fees. A key conclusion was that we need to form united fronts with other groups currently campaigning. We agreed that the only real way to co-ordinate an effective fightback was through forming action committees which would link up students throughout the education sector, with education staff and the wider working class.

The hottest and most extensive discussion at the conference was on the environment. Environmental issues from global warming and nuclear waste to suburban and rural development have become increasingly important, especially for youth. The discussion was interesting, but it showed that a lot of

work still needs to be done on this issue if we are to agree a common position. One problem is that most in-depth studies are by either government controlled agencies or environmentalists who reject class politics.

However, we agreed that the control of our physical surroundings has always been linked to the development of human beings as a species very different from other animals, but the extent of irreversible environmental destruction remains a crucial question.

There was a disagreement over how far capitalism's ruinous, unplanned exploitation of natural resources threatens the future existence of the world itself. There were doubts over global warming; is the increase in global temperatures a potential catastrophe or just a cyclical pattern?

Some comrades seemed to see cars as the greatest blight facing humanity. The majority of the conference agreed that cars weren't the main enemy, but the lack of cheap, accessible and reliable public transport led to more and more people using personal cars, leading to traffic and pollution problems. Other disputed areas were over whether or not there is a problem of overpopulation, the risks of nuclear power and waste disposal, and the decentralisation of cities, i.e. the increase in out-of-town shopping centres.

The debate will continue! The final discussions centred on the structure of Revolution and the future of our activities. Our continuing fight for free education and our campaign against the blood-soaked profits of BP in Colombia were two key battles for now and the immediate future. We also agreed to organise an international summer camp of European youth groups to continue our international links with socialist revolutionaries in the fight against the oppression of the young and on the road to socialism international.

The conference expressed its solidarity with the politics of Workers Power, the League for a Revolutionary Communist International and the traditions of communist struggle. This was the product of both a debate and the experience of debates at the conference with other left groups. It was not imposed on the conference.

The conference was open to people from tendencies other than Workers Power. Members of the Alliance for Workers Liberty attended, as did supporters of the International Communist League, better known as the "Sparts".

By Sunday afternoon everyone was fed up with the Sparts' behaviour – especially their tendency to talk about any issue other than the one being discussed by the meeting. And their politics – which seemed to be all about supporting Stalinist bureaucrats – didn't win them any friends. Finally the conference voted to bar them after we learned that they had been taping the discussions without anybody's consent!

By the time conference finished everyone was convinced that we had done the right thing by forming a proper national organisation. We can now begin to build Revo well beyond its existing base of supporters.

Young people face attacks, but they are not taking these attacks lying down. Everywhere they are fighting back, and everywhere they are looking for answers as to how best to fight back. Revo exists to organise such young people and to help them decide on the best answers. We call on all militant youth to join Revolution, the independent communist youth group for the century to come. ■

**REVOLUTION**  
THE FIGHTING PAPER FOR WORKING CLASS YOUTH

**TUITION FEES? NO WAY!**  
Tax the rich and make them pay

**REVOLUTION**  
THE FIGHTING PAPER FOR WORKING CLASS YOUTH

I hope 100,000's of angry European youth and workers don't ruin our important government meeting in

**AMSTERDAM**  
**14 JUNE**

**BIGGEST STREET PARTY YET!**

YOU don't make it to Amsterdam for the...  
In June the Eurobarometer are getting together in Amsterdam for a conference to sort out the...  
The Eurobarometer will be...  
workers and youth if...  
together we'll march on...  
not against Europe or

## EDUCATION: Students get organised

# Fighting tuition fees in New Zealand

With Blair and Blunkett busy imposing tuition fees and scrapping grants for students in Britain the lessons from New Zealand, where fees have been introduced, are instructive. Our comrades from **Workers Power New Zealand/Aotearoa** report on the implications of a fee based education system and the growing struggle against it.

**J**UST BEFORE the Thatcherite Jenny Shipley staged a palace coup in Auckland to oust the absent Jim Bolger as New Zealand's prime minister, the National Party-led coalition unveiled its true plans for higher education. Their latest proposal would turn universities into private businesses after the US model.

Predictably, the Green Paper on tertiary education promotes itself as offering greater choice. In reality it would sound the death knell for public higher education and for academic freedom.

Fees for higher education began under Labour, but it was the National government which introduced a flat fee of \$1,000. Their sweetener was student loans, available to all, subsidised by the government.

Soon, student allowances were cut, and means testing of parental income applied for anyone under 25. The scheme was supposed to be equitable: the rich could afford the fees; the poor could get a student loan, paid back through income tax. The now familiar argument, copied by Britain's New Labour politicians, was that people personally benefited from tertiary education so why shouldn't they pay some of the cost.

### Projections

Means tests effectively targeted everyone (the cut off point for student allowances is \$50,000 joint parental income, when the average wage is only \$35,000), and the debts incurred are crippling. Students owe millions in debt. By 2006, according to current projections, it will have exceeded New Zealand's national debt.

Thousands drop out each year

because they can't cope with the financial burden. First year enrolments have plunged, while the latest OECD report says New Zealand has among the world's lowest participation rates in higher education.

The flat fee across all courses didn't last long either. Most universities have differentiated fees. Dentistry and medical students are looking at similar fees of \$10,000 a year.

Recent months have seen an upsurge in the fightback against these attacks. Education Action Groups (EAGs) have been built on all the university campuses around the demand for free education.

The EAGs have organised marches, rallies, protests at university administration meetings and, lately, occupations of campus buildings. Students have also participated in other protests about benefits, health cuts and attacks on union rights.

At the same time as fees have been increasing and allowances falling, staff have faced redundancies and real pay cuts. On many campuses staff have joined students in their actions and students have supported industrial action by staff.

The university administrations have tried pitting staff and students against each other, but it is vital for students and staff to work together to defeat the attacks.

The Green Paper proposals have drawn staff and students together. The Association of University Staff and other staff unions have seen the seriousness of the attack on both their own positions and the universities generally.

After almost a decade of largely unsuccessful student resistance to

tuition fees and education spending cuts, two generations of students have now known a fee-based system. The escalation in the fight has come late in the day. Occupations, for instance, have tended to be publicity stunts, rather than serious challenges to the university administrations. From now on the fight has to be much more determined, including indefinite occupations that aim to stay until demands are met.

### Blatant

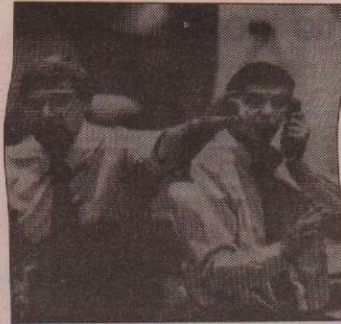
The campaign against the attacks in higher education has also suffered from confusion, disabled by the argument that students needed to get the university administrators on their side. This approach has been a blatant failure, with the college bureaucrats simply passing on the impact of government policies.

The campaign was always going to need to focus on both the cost cutting, privatisation policies of the government and the complicity of the university officials who implement the policies.

What is desperately needed now is a nationally co-ordinated campaign, including all higher education institutions. This should be run by elected and accountable committees of ordinary students and workers.

The campaign must also be clear that its aim is high-quality, free education, accessible to all, and under the control of staff and students. Militant tactics behind such a programme could even put paid to Shipley's deeply unpopular government before it has time to steady itself and renew its offensive against New Zealand's working class and poor. ■

## WHERE WE STAND



### Capitalism

is an anarchic and crisis-ridden economic system based on production for profit. We are for the expropriation of the capitalist class and the abolition of capitalism. We are for its replacement by socialist production planned to satisfy human need. Only the socialist revolution and the smashing of the capitalist state can achieve this goal. Only the working class, led by a revolutionary vanguard party and organised into workers' councils and workers' militia can lead such a revolution to victory and establish the dictatorship of the proletariat. There is no peaceful, parliamentary road to socialism.



### The Labour Party

is not a socialist party. It is a bourgeois workers' party—bourgeois in its politics and its practice, but based on the working class via the trade unions and supported by the mass of workers at the polls. We are for the building of a revolutionary tendency in the Labour Party, in order to win workers within those organisations away from reformism and to the revolutionary party.



### The Trade Unions

must be transformed by a rank and file movement to oust the reformist bureaucrats, to democratise the unions and win them to a revolutionary action programme based on a system of transitional demands which serve as a bridge between today's struggles and the socialist revolution. Central to this is the fight for workers' control of production. We are for the building of fighting organisations of the working class—factory committees, industrial unions, councils of action, and workers' defence organisations.



### October 1917

The Russian revolution established a workers' state. But Stalin destroyed workers' democracy and set about the reactionary and utopian project of building "socialism in one country". In the USSR, and the other degenerate workers' states that were established from above, capitalism was destroyed but the bureaucracy excluded the working class from power, blocking the road to democratic planning and socialism. The parasitic bureaucratic caste has led these states to crisis and destruction. We are for the smashing of bureaucratic tyranny through proletarian political revolution and the establishment of workers' democracy. We oppose the restoration of capitalism and defend the post-capitalist property relations. In times of war we unconditionally defend workers' states against imperialism. Stalinism has consistently betrayed the working class. The Stalinist Communist Parties' strategy of alliances with the bourgeoisie (popular fronts) and their stages theory of revolution have inflicted terrible defeats on the working class world-wide. These parties are reformist.



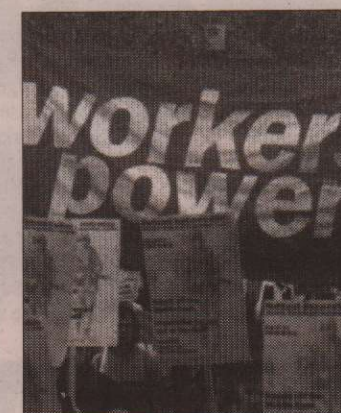
### Social Oppression

is an integral feature of capitalism systematically oppressing people on the basis of race, age, sex, or sexual orientation. We are for the liberation of women and for the building of a working class women's movement, not an "all class" autonomous movement. We are for the liberation of all of the oppressed. We fight racism and fascism. We oppose all immigration controls. We fight for labour movement support for black self-defence against racist and state attacks. We are for no platform for fascists and for driving them out of the unions.



### Imperialism

is a world system which oppresses nations and prevents economic development in the vast majority of third world countries. We support the struggles of oppressed nationalities or countries against imperialism. We unconditionally support the Irish Republicans fighting to drive British troops out of Ireland. But against the politics of the bourgeois and petit-bourgeois nationalists, we fight for permanent revolution—working class leadership of the anti-imperialist struggle under the banner of socialism and internationalism. In conflicts between imperialist countries and semi-colonial countries, we are for the defeat of the imperialist army and the victory of the country oppressed and exploited by imperialism. We are for the immediate and unconditional withdrawal of British troops from Ireland. We fight imperialist war not with pacifist pleas but with militant class struggle methods including the forcible disarmament of "our own" bosses.



### Workers Power

is a revolutionary communist organisation. We base our programme and policies on the works of Marx, Engels, Lenin and Trotsky, on the revolutionary documents of the first four congresses of the Third International and the Transitional Programme of the Fourth International. Workers Power is the British Section of the League for a Revolutionary Communist International. The last revolutionary international (the Fourth) collapsed in the years 1948-51. The LRCI is pledged to fight the centrism of the degenerate fragments of the Fourth International and to refound a Leninist Trotskyist International and build a new world party of socialist revolution. If you are a class conscious fighter against capitalism; if you are an internationalist—join us! ★

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## Unions must tell Gordon Brown...

# TIME TO END POVERTY PAY

**L**AST MONTH the "Iron Chancellor", Gordon Brown, made it plain that he will stick with the spending limits inherited from the Tories. His "Pre-Budget Report" featured a stark warning that "today's pay rise threatens to become tomorrow's mortgage rate rise".

His speech repeatedly suggested that the success or failure of his budget hinged on continued pay restraint, especially in the public sector.

Brown's advice to the workers was accompanied by a ritual call on the bosses to practice "moderation, not excess". But there is a world of difference between the millionaire and the worker and the moderation urged by Brown means very different things for both of them.

Fact: Of 186 top directors, 158 got pay rises last year. 110 got rises of over 10%, taking their salaries into the stratosphere. To give one example, Labour's new found Formula One friend Bernie Ecclestone, earns £6,569,221 a year. This is not a misprint.

Fact: Derbyshire school meals worker, Sue Wills (interviewed in this issue - see page 5) is a life-long Labour voter whose pay and conditions are now under attack by Labour. She earns £4.78 an hour. This is not a misprint either.

And the chief executive of BSkyB, Sam Chisholm, had quite a good year. His annual pay and benefits package mushroomed by £3 million in 12 months taking his yearly earnings to a total of £6.8 million.

Another corporate director who moved further away from



Chancellor Gordon Brown calls on workers to limit pay claims while fat cats coin in millions

the poverty line was Ian Duncan of the Anglo-American firm Tomkins. He received a relocation allowance of £150,000 to move all of 30 miles.

According to one recent study by the University of London, Duncan's one-off payment would allow the equivalent of at least five households of two adults and two children to live "a comfortable lifestyle".

Of course, tens of thousands of households scrape by on much less than the figure of £23,000 a year prescribed by the academics. To the less well off, many of them employed in the public

sector, Brown offers only more misery. He will inflict pay cuts on the working class in the name of curbing inflation, while leaving the salaries of the mega rich untouched by even a "moderate" tax increase.

This is compassion with a hard edge alright: compassion for the bosses, a hard edged boot for the workers.

The public sector union Unison, with 1.4 million members, should be up in arms at the calls for pay restraint. But General Secretary Rodney Bickerstaffe's response was muted:

"We want no return to boom-

bust and we understand the need for caution, but there are legitimate expectations that the public will want to see addressed."

This double-talk from the union bureaucracy makes a mockery of Unison's stated pay claim for its local government membership. The official submission is for either a 5% or a £500 rise - whichever is larger, combined with a call for a minimum wage of £4.61 an hour.

This figure still falls well below the European Union's decency threshold. But it is a good deal more than the latest member of New Labour's exclu-

sive club of millionaire contributors, Robert Earl, pays staff at his Planet Hollywood restaurants. Table staff at Earl's overpriced hamburger joints earn the princely sum of £2.97 an hour.

One of Labour's few pledges to workers was to establish a minimum wage. But so far all we have is a Low Pay Commission which will make a non-binding recommendation about its level and other details. It is unlikely to report before May 1998.

The first draft of the enabling legislation only appeared in late November. Margaret Beckett, President of the Board of Trade, appears to have won the shadow boxing in the Cabinet against Peter Mandelson's call for exemptions by region and industrial sector.

But it is clear that the eventual recommendation from the Commission will be very low indeed - less than £4 an hour. There is also the possibility that a still lower rate would be imposed on trainees and workers under 25. The GMB union estimates that this would hit four million young workers.

As the Commission report approaches, trade union members must step up the campaign for action to put real pressure on the Government to deliver a minimum of £6 an hour. Employers who refuse to pay this rate should be subject to heavy fines and threatened with nationalisation under workers' control if they try to liquidate firms instead of paying up.

The money is there. Brown's claim that the cost of a decent pay rise will cost someone else's job

or put up your own mortgage is a lying apology for a system that cannot deliver a decent standard of living for millions of people.

The answer to mass unemployment lies not in maintaining poverty pay but in a reduction of the working week to a maximum of 35 hours.

In Britain the average working week currently exceeds 43 hours and compulsory overtime is rife. Meanwhile Britain's decaying infrastructure cries out for a massive programme of public investment, which could provide real jobs at decent rates of pay.

Britain now has the lowest rate of corporate tax of any major industrialised country: just 30%. The top rate of tax for the richest in this society is only 40%, among the lowest in the world. A massive tax on the rich could unlock funds for a public sector pay rise and the expansion services.

Activists in the public sector must begin to put the arguments for action as the only way of forcing the Government to cough up on pay. In and across every union, activists should draw up battle plans to fight for:

- A £6 an hour minimum wage, with no exemptions.
- A substantial pay rise, with no strings attached.
- An end to performance-related pay.
- The restoration of full negotiating rights across the public sector.

■ For more on Brown's budget plans and the benefits system turn to page 3

## £6 an hour minimum wage now!