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THE MARXIST cannot achieve its aims unless it establishes a relationship with its readers. We want your views and experiences, your comments and criticisms. We want your suggestions for articles in future issues.

We want letters for publication and we shall devote as much space as possible to them. If your letters express criticism we shall welcome them, as we believe that argument is the responsibility of a Marxist journal. Even if you do not wish your letter to be published we shall welcome hearing from you. Letters or criticism or those making suggestions for improving our journal will be carefully studied and acknowledged.

Perhaps you will wish to become a contributor to our pages. We shall be happy to consider either outlines or articles.

We cannot deal with anonymous letters or contributions but if you indicate that you do not wish your name to be published we shall respect this.

We want to build a partnership with our readers. We shall do our part. Will you do yours?

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## Falklands in perspective

The Falklands dispute is essentially about colonialism. It is about whether a colonial power shall be allowed to hang on to its colonial possessions, in this case some 8,000 miles away.

The impression has been created that the Falklands are not a colony but have some kind of special relationship with Britain because the inhabitants are reputed to be of British stock. That is not so.

Article 73 of the United Nations establishes the obligation of member states administering non-autonomous territories to report regularly to the Secretary General on the condition of these territories. Complying with this obligation, Britain has periodically submitted reports on the Falklands to the Secretary General, thus recognising the colonial status of the territory.

On December 20th 1960, Resolution 1514 (XV) of the General Assembly established the need to put an immediate end to colonialism. As a result of this resolution a special committee was set up to deal with cases of de-colonisation. This committee of 24 members included the Falklands in the list of territories to be de-colonised.

In 1965 the General Assembly issued Resolution 2065 (XX) which declared the

Falklands (Malvinas) a colony, acknowledged the dispute between Argentina and Britain and urged both governments to initiate negotiations without further delay.

Britain has consistently stalled on the discussions and for the past seventeen years little progress has been made.

In 1981 Argentina warned Britain that it could not allow the Malvinas to continue as a British colony and asked for renewed and serious negotiations.

The United Nations recognises that the islands are a British colony, so have previous British governments, yet Thatcher is now denying that this is the central issue.

### Old Ideas - New Realities

If public opinion polls are to be believed, a substantial proportion of the people of Britain are in favour of taking all necessary measures, including the use of armed force, to "take back what is ours". Whether that is a true representation of what people think is open to question, but it does indicate that a yearning for the 'days of glory' when Britain ruled the waves and 'wogs' knew their place still lingers on in the minds of some ordinary people, as

well as the more reactionary of their leaders.

They find it difficult to accept that the balance of world power has changed in such a way as to make it impossible for the imperialists to continue in the old way. They are crying for the wind that blew yesterday, but cry as they will, it will never blow again.

The struggle of the Third World countries to obtain control over their own territories and natural resources is continually growing in strength; it cannot be stopped. Sooner or later Britain will have to relinquish sovereignty over the Falklands, so why sacrifice lives and resources in order to delay it for a short while?

### Self-Determination

During the protracted negotiations between Britain and Argentina over the Falklands the stumbling block, so we are led to believe, has been the desire of the Islanders to remain under British sovereignty. Assuming that is the truth of the matter, it is an understandable desire in view of the type of regime presently in power in Argentina, but it is unbelievable that 1,800 people have been allowed to determine British foreign policy in the South Atlantic.

Furthermore, to commit a nation of about fifty-two million people to an armed conflict half way across the

world in order to comply with the desires of a handful of people who want to stay put but still remain under British sovereignty, is ludicrous in the extreme. Self-determination has been turned into a metaphysical concept that is independent of geographical, military, economic, and political realities.

The 'right' to remain under British jurisdiction is conditional upon Britain having not only the will but also the ability and material resources to permanently guarantee the security of the islands against occupation by another state, and to provide the islanders with the goods and services which they cannot provide for themselves.

The impracticality of this is probably the basis of the admitted differences between Thatcher and her supporters on the one hand, and the Foreign Office on the other.

### The Coalite Company

Although sovereignty has been nominal-ly vested in Britain, actual control over them has been exercised by the Coalite Company which, by all accounts, treated them as a private domain.

The sheep farmers, the only reproductive element in the population of the islands, had no option other than to sell their wool to the Company, which then shipped it in Company-owned ships

to Britain where it is stocked in Company warehouses.

The only shops on the island were owned by the Company and supplied through it. Fuel was supplied by Argentina, and for serious health problems and higher education services the people concerned had to rely on those provided in Argentina.

It was a set-up described by one island priest as feudalistic, a nice corner for civil servants and Company officials seconded from Britain and able to return whenever they wished, but not so good for the 'Kelpers' who do not even have the right of return to Britain as things stand at the moment.

### The Crux of the Matter

Underlying all the rhetoric about the right to self-determination, the importance of resisting aggression and what-have-you, lies the question of who shall have the power to exploit the mineral resources of the continental shelf.

The Law of the Sea conference which has recently agreed on some recommendations, was not solely concerned with fishing rights. A more explosive issue is the ownership of the mineral resources on the sea bed.

Having no hope of retaining or restoring their 'right' to exploit the mineral resources of the world's land masses, the transnationals have now turned

their attention to securing the 'right' to exploit the mineral resources on the sea bed, their argument being that the sea bed does not belong to anyone.

### Inter-nationalisation

This term has been used to give a semblance of progressiveness to what is, in reality, a set-up which will create the conditions in which the transnational giants will be able to contend and collude with each other for the exploitation of the mineral resources on the sea bed without the trouble of having to subvert national governments concerned.

It is suggested that international agreements can be reached to control the activities of these giants, but attempts to control their present trading practices in that way have been demonstratively unavailing, the reason being that while international bodies have to go through a more or less democratic process which is time consuming, the transnationals are operated on military lines, with decisions passed down for unquestioning implementation by subordinates.

There is no way that the transnationals can be controlled or their power broken in this way. The only hope of containing and eventually breaking their power is for international agreement to be reached which vests ownership of the continental shelf in the littoral states. That will not of itself stop

the transnationals, but decision making will be at a national, instead of an international, level and more easily observable and controllable.

The struggle to prevent subversion of national governments by the transnationals will be an ongoing process directly related to the struggle for national independence.

Any notion that Britain can claim sovereignty over part of the South American continental shelf by virtue of its sovereignty over the Falklands is inconceivable, but one of the dangers of any settlement is a permanent 'internationalisation' of the Falklands, as distinct from a transition period while they are transferred to Argentine sovereignty.

#### Military Junta

It is indisputable that Argentina is presently ruled by a military junta which pays scant regard to the practices of bourgeois democracy, but this has no bearing whatsoever on its claim for sovereignty over the Falklands.

As long as the Junta confined its activities to suppressing the Argentine working class no objection was raised to trading with it, selling it military equipment or making bank loans, but as soon as it showed anti-colonialist leanings, all its hitherto-ignored ugly features became an excuse for perpetuating British colonialism.

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It is also implied that should Argentina "get away with it" with regard to the Falklands its appetite will be whetted for further expansion. If that is the danger, the remedy lies in the hands of the major industrialised countries which supply it with weapons.

Practicality demands that the integration of the Falklands economy with that of the Argentine, which has already taken place to some degree, must be progressed. Whether the inhabitants decide to stay or accept financial and other forms of assistance to take up residence elsewhere should be left to them.

It is said that one of the factors which inspired Galtieri and the junta to occupy the Falklands was a desire to find a unifying factor to offset internal schisms by diverting attention from the serious economic difficulties at home. It can also be argued that it provided Thatcher with a welcome opportunity for doing the same thing in Britain.

It is also said that, while Argentina may have a legitimate claim to the Falklands, she put herself in the wrong by using armed force to pursue it. She could justifiably argue that what Britain took by force could also legitimately be retaken by force, precisely the argument that Britain is using to justify the invasion; the difference between the two is one of time gap, not principle.

The imperialist states which still have the remnants of their empires dotted about the globe have the propaganda advantage, with regard to their own population, of appearing to be the injured party when the status quo is challenged by armed force, but the fact must be faced that it is armed force that has been the major factor in the destruction of colonialism.

In any event there is no sense in fighting battles that are not worth the winning for the sake of a dubious conception of 'national honour'. When the guns have stopped firing, the deal counted, and the bill presented for payment, the reaction will set in.

### Pitiful Opposition

The present degree of support for the Government shown in the local elections and public opinion polls is not surprising in view of the pitiful performance of the Labour leadership. With the honourable exceptions of Benn, Hart, and one or two others, they agreed to the sending of the Task Force, but apparently only on the condition that it would never be used except as a threat.

The nonsensical character of this position has understandably been rejected by a large number of people. In the absence of a strong alternative leadership it is no wonder that they tend to follow the pig-headed dogmatic 'leadership' of Thatcher and Co.

At the outset Thatcher committed herself to the re-establishment of the situation to what it had been immediately prior to the Argentine take-over. The contradiction between the expectations which this has aroused and the unlikelihood of it ever being achieved makes her political future uncertain.

### America on the Spot

Although the present crisis is likely to result in some kind of compromise, the international consequences of Britain's action in sending the Task Force will be long lasting.

According to some U.S. diplomats, relations between the U.S. and Latin America will never be the same again. The US had raised its prestige among them by agreeing to evacuate the Panama Canal zone, but the goodwill it created by that act has been more than offset by what the Latin American people see as its alliance with a power which still has colonialist pretensions.

The conflict between Britain and Argentina certainly put the Reagan administration on the spot. The former is the United States most compliant ally in Europe, the latter its most important ally in Latin America.

The United States' decision to side with Britain indicates that the U.S. military considers that Britain as the link man between themselves and Europe is more important than the Junta in its

role of policeman in South America. It is also probable that the British government's hint that the U.S. may have a hand in the future administration of the Falklands and their economic development helped the matter along.

### Soviet Penetration

There are those who are dismayed at the growth of anti-U.S. sentiment in Latin America on the grounds that any weakening of its influence there will open the door to Soviet penetration. This indicates a lack of confidence in the ability of the people of that region to safeguard their national and collective independence.

It may be that Soviet influence will increase in the short term, but if that is so they will then come to know at first hand what Soviet 'friendship' means, and if it goes against their interests they will reject it.

In any event it is a military defeat, a particularly humiliating one that is most likely to push the Argentine people in the direction of seeking new friends outside the continent and new alliances within it. As Western capitalist countries have shown themselves to be pro-colonialist and opposed to a cause (the liberation of the Malvinas) which the Argentine people have embraced as their own, the Soviet Union will be the most likely candidate.

A defeat may weaken the Junta, but such bodies come and go, and their fortunes and actions are, in the long term, less important than the political ideas which grip the people. The confrontation over the Malvinas will almost certainly lead to new political alignments in Argentina. A serious defeat will push them in a pro-Soviet direction.

### Weaken Imperialism

The alternative to supporting the Argentine claim is to maintain that the status quo must be preserved lest any diminution of the sphere of influence of a 'friendly' superpower may alter the world balance in favour of its rival.

That is a recipe for maintaining imperialism. It misses the point that the interests of the world's peoples are best served by exploiting the contradictions between all imperialists, and the superpowers in particular.

The struggle of the Third World against imperialism of all kinds is a major factor in exacerbating the contradictions between the imperialists themselves.

The aim is not to strengthen one imperialism against another, but to weaken all imperialism.

Mid-May 1982

## Unemployment and Job Creation

### Does recession breed resistance?

A recent article in the magazine *Newsweek* pointed to the grim unemployment prospects now facing Americans. Some civic leaders foresee that the desperation bred particularly by youth unemployment will lead to a repetition of the street violence that erupted in US cities in the 1960s.

But Reaganites are less pessimistic. Referring to the 1965 Watts riots which took place at a time of booming economic conditions, an official commented:

"In a recession, when people expect things to be bad, sometimes you don't have as much of a problem as you do during times of economic expansion, when expectations are high."

The lesson is important for Marxists here. Growing dole queues and deterioration in the standards of life may, but do not inevitably, breed opposition and resistance.

Consider what the present Government has been able to perpetrate over the past three years. The jobless total is well over 3 million, 12.6% of the workforce. In fact there is tacit acceptance by Whitehall that another half million people are actively seeking work but are not registered as unemployed. (Many of them

are not entitled to National Insurance benefit and are often ineligible for Supplementary Benefit.)

This means that for every six people registered as unemployed, there is a seventh person who is jobless and seeking work.

Of course it remains fashionable for right-wing politicians to rant against the 'workshy' and to blame the level of dole money for the jobless figures. But in February a study undertaken by the Institute for Fiscal Studies revealed that it was no longer possible (if it ever had been) to be better off on the dole than in work. 'Poor' families are likely to be £20 a week worse off if the husband is out of work than if he had even a badly paid job.

Following this publication, the Government admitted that unemployment benefit had reached its lowest point compared to wages since 1951.

In several measures the Thatcher administration has laid bare its contempt for the working class and its political representatives. Earnings-related benefits were abolished in January 1982. Unemployment benefit itself is now taxable. National Insurance contributions - income tax by another name - have risen proportionally for the lower paid since 1979.

More than two million households will lose housing benefits under the Social Security and Housing Benefits Bill, soon to become law.

It would be possible to catalogue several more depredations suffered by the people under the present regime. The upshot is, as the Organisation for Economic Co-operation and Development points out, that Britain's domestic income has been slipping behind the rest of the EEC since 1978. The gap between Britain and most other European industrialised states is widening.

It all serves to underline what we said at the beginning:

"The Poor Law tradition, in which poverty and unemployment were signs of moral failing, still stalks the country. It is this irrational feeling of personal guilt which helps to explain why unemployment can rise so high and so fast and for there to be almost no extra-parliamentary threat."

Frank Field MP, The Times 28.1.1982

Our task is to feed the "extra-parliamentary" threat to Thatcher's government by highlighting the consequences of the present policies and posing the alternatives. All our policies are directed to the objective of possessing an economic base that is capable of satisfying as many of the needs of the people as possible.

It will be said that this aim is incompatible with monopoly capitalism and Marxists must therefore call for revolution. But people will not grasp the necessity for revolution until they are convinced that their aims cannot be met by the present society.

### Production for the World Market

The Conservatives have had some success in persuading people that the present wastage of human resources is no more than a natural 'shake-out' which will revitalise the economy and put it on a far sounder footing. We are told that this is the only path to regain the edge to compete in world markets.

Labour and the T.U.C. accept the principle of subservience to the world market wholeheartedly. Where they call for import controls on particular commodities it is generally to restrict 'unfair' competition, i.e. where foreign states either subsidise production at home or erect tariff barriers to British exports. Therefore they have no answer to the Tory Government's strategy.

Both the Labour Party and the TUC are still treading the Keynesian road, advocating public spending to reflate the economy, but unable to say where the money will come from. For example, in February the TUC published "Programme for Recovery", a series of proposals around an injection of £8,300 million cash into the economy to push up growth rates. Undeniably the areas for investment suggested by the TUC

were well chosen. But within the accepted context the authors would not be able to answer the charge that it was merely inflationary.

Once the argument is accepted that prosperity depends upon improving our market share, the capitalist logic that wage costs, subsidies and social provision must be reduced follows inexorably.

But where does this logic leave the textile worker who has to compete with his Taiwanese or Korean counterpart, or the steelworker trying to produce steel competitively with Brazil or Mexico? Wage costs would need to be reduced below subsistence level to reach equivalent production costs. Clearly some ministers see this as a legitimate goal. Norman Tebbit recently complained that the Government could not abolish Wage Councils before 1985 because the UK is bound by an International Labour Organisation convention to retain statutory protection for the low paid.

As we said in our last issue:

"As this policy is being followed by the capitalist class in every country it is essentially one of getting the workers in each country to see who are prepared to accept the lowest standards."

However, in many branches of industry, even with factories staffed by YOPS workers, this course is just not feasible.

The simplistic answer to this difficulty, upon which we shall waste no time, is that Britain should abandon its pretensions as a manufacturer and develop into a rentier economy, like Switzerland.

The solution more frequently articulated is that more resources should be ploughed into the 'high-tech' of the microchip and the communications revolution, leaving the Third World to produce textiles and other low technology products. But the micro revolution is concerned in the main with the replacement of labour by machinery. It will not bring prosperity but impoverishment, in every sense, to the working class as jobs disappear and those which remain become progressively de-skilled and tied to the speed of the machine.

A graphic example of this in manufacturing is provided by the BL paint and body shop in Longbridge. This year the Longbridge men will each make 42 cars as against 31 in 1981. In other words they will be 35% more productive. An effusive article in the Sunday Times on 21st March 1982 explained, under the ironic title: "How they worked a miracle at Longbridge":

"The new West Works - the body plant in our diagram - is where metal pressings are made into body shells. Although it is still dependent on humans, two sets of robots, pecking 256 spot welds in almost as many seconds, have replaced 200 workers on the main lines, which now require just 38 operators. Less sophisticated ma-

chines called multiwelders, have wiped out another 134 jobs."

In offices computerisation is a far more recent phenomenon but its impact on jobs may well be as equally dramatic. Information technology is no longer confined to the headquarters of multinationals. The downward pressure on costs makes it increasingly attractive as the capital outlay of, say, word-processors or accounts systems decreases relative to annual wage bills.

Technology is not neutral or classless. It is not merely a question of the class in power 'wielding' the technology. Certain types of technology, such as robotic production, are capitalistic in essence and will have little or no place in the future society.

### Job Creation

The indiscriminate attack upon public spending of all types by this government has been justified on the grounds that the country cannot afford the profligacy of the past.

In the propaganda war, it is therefore important to show the contradictions and deception in the present policy. To start with, each person unemployed costs the government, (i.e. the taxpayer), £5,000 per year in social security benefits and lost tax revenue, (a figure which was suppressed by the government when it was produced by Treasury officials earlier this year.)

Unemployment itself is, therefore, inflationary. It is also a good indication of the inefficiency (a monetarist byword) of the capitalist economy. The bourgeoisie have a love of the statistic which shows how many working days are lost through strikes. The present level of unemployment means that more than three million working days are lost each day.

The unemployed add nothing to the material wealth created in the economy. They are entirely wealth absorbing. True, output per employee has risen in the past year by an average 10% in industry, but the fall in numbers employed means the total volume of production has fallen, and a greater proportion of tax levied from those in work now goes to support the jobless.

On any objective criteria it is preferable to use existing resources to pay a subsidy to businesses, state or private, to provide goods or services which people need, than to keep workers in enforced idleness.

The primary aim of job creation must be to reverse the decline in Britain's manufacturing base, not to cosmetically improve the jobless figures. In productive industry, the areas where public investment is called for can be identified from the present level of imports. For example, there is no reason why Britain should not be virtually self-sufficient in motorcycle manufacture, or in domestic hardware. Productive capacity in these commodities would have to be rein-

forced by import controls.

Outside manufacturing industry there are numerous socially necessary jobs which require to be done to prevent social decay.

In transport, a programme of electrifying the railways and maintaining track would not only reduce the jobless figures, it could also lower distribution costs for industry, and help alleviate congestion on the roads.

In health, the replacement of Britain's Victorian hospitals would serve a vital social need and employ some of the half million or so building workers unemployed.

Similarly in housing; the national house building programme is now at its lowest point since 1945. This creates social stresses within the large cities and adds to the financial burden faced by housing and social services departments which, for lack of public housing, must accommodate the homeless in exorbitant private bed and breakfast hotels.

In sanitation, London's sewer system which was designed in the last century to cater for a small fraction of the present population, could be restored at far less cost now than it will undoubtedly require if left for another generation. Too few of the capital's dwellers realise that this amenity - so basic to civilised life - is now on the verge of collapse.

Who would take responsibility for this

programme?

Clearly central government, as the provider of funds, has a right to expect a say in their allocation. But councils are potentially the best arbiters of need. The difficulty is that councils have acquired the largely deserved reputation of being semi-retirement homes for bureaucrats maintained at public expense. A job creation scheme should have no part to play in maintaining inessential bureaucracy.

To date, the manual workers and those providing the actual services have declined in numbers relative to the administrative strata in councils. This is hardly surprising, when the administrators make the decisions upon redundancy.

It is ironic that the G.L.C. has decided to set up an 'Enterprise Board' consisting of 78 posts with a wage bill of over £1 million. It is to be headed by Alan McGarvey whose salary will be £35,000, plus £10,000 in perks such as a car - a prime example of throwing money down the drain.

If councils were properly accountable in their budgeting and manpower planning this trend could be reversed.

Thatcher promised to decentralise power and extend local democracy, but the actions of her government show how empty the promise has been. The Tories' intervention in the GLC 'Fares Fair' policy, withholding the block grant and necessit-

ating the Supplementary Rate levied last year, is well known.

Now the Government plans to take control of public transport in the capital from the GLC, thereby divesting the local community of any semblance of electoral control.

Moreover, it plans to curtail the role played by local authorities in job creation itself. A Green Paper has been published by the Department of the Environment to restrict councils to making grants and loans to small firms employing up to 25 people. The planned total expenditure would be limited to the product of a rate of 2 pence. Rather than restricting councils, would it not benefit the working class if councils were empowered to take into municipal ownership industrial and commercial sites? Land and plant could then be leased out at rates determined according to local need, rather than market value.

These may be mundane proposals to those Marxists steeped in the language of revolutionary politics. However, the only

method of job creation open to the working class to take on its own initiative now is a ban on overtime.

It is said this would have only a limited effect on jobs but it would, at the very least, introduce an element of work-sharing, and that in itself is a positive thing. After all, part of the struggle is to change people's attitudes now. Perpetuation of the "I'm alright, Jack" mentality will strengthen capitalism, not weaken it.

We must, therefore, be prepared to put forward answers to the questions posed by unemployment. This problem gives us a vital opportunity to influence those workers we are seeking to win over. On past experience they will not be swayed by calls to the barricades .... yet.

At the end of the day it is extra-parliamentary action which will change things. That will require the formulation of positive proposals which will find a response among people and assist in their mobilisation.

June 1982

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After holding the price of our journal at 15p for the past five years, we are forced to raise it to 25p due to increased costs.

## EEC – End of unanimity?

Only time will tell if the imposition of the majority vote on farm prices was an opportunist move to take advantage of Britain's need for support over the Falklands, or whether it was the opening shot signalling an intention to re-establish the majority principle in line with the aspirations of the great Europeans.

It seems to us that those countries which comprised the majority saw it as a way of making Britain pay for their support for its Falklands policies.

In each of the countries concerned the proportion of the population working on the land is much greater than in Britain, and their voting potential is an important consideration if the party in office wants to continue in office.

Something had to be done to propitiate the farmers, (remember the demonstrations in Brussels?) but the financial constraints imposed by the continuing slump made things difficult. How better to get over the problem than by insisting that Britain foot a disproportionate part of the bill.

Of course the dispute did not arise with direct reference to agricultural subsidies, but they are the centre of the problem, for they account for by far the greater proportion of the EEC

budget.

Because of the way in which European finance is raised, Britain is always in the position of having to pay a greater share of the EEC budget than any other country except Germany. This imbalance has up to now been redressed by a rebate. The argument is about whether that rebate should be made indefinitely, and if so, how much it shall be.

The Foreign Secretary used what he thought was a built-in veto to prevent increases in farm prices as a weapon to obtain a bigger rebate. In the event the veto was overridden and Pym "reluctantly" agreed to accept the increases in farm prices and a smaller rebate than he wanted.

It can hardly escape notice that once the majority decision had been accepted by Britain, the EEC sanctions against Argentina were renewed; except, that is, for Italy and Ireland who had internal political problems which prevented them doing so.

If it is true that a deal was done, the degree of diplomatic support which Britain is said to enjoy from its EEC partners is probably much weaker than it is made out to be. Whether the whole thing is a matter of wheeling and dealing is a subject for conjecture, but

the possibility exists that repudiation of the Luxembourg compromise on that occasion indicates an intention to re-establish the majority principle.

The Luxembourg compromise was the outcome of a series of actions by the then French government which brought the workings of the EEC to a virtual standstill. One of the French grievances which occasioned those actions was its unwillingness to accept majority voting in the Council of Ministers, a procedure that was due to come into effect at that time, (July 1965).

Stephen Holt, in his book "The Common Market, the Conflict of Theory and Practice", pp 73-76, records:

"While not asking for the cumbersome process of treaty amendment, the French nevertheless wanted the Member governments officially to commit themselves never to overrule any country when the country involved considered that its "vital interests" were at stake. To this the other five would not agree, but the following form of words was selected, recording an agreement to differ:

1 Where, in the case of decision which may be taken by majority vote on a proposal of the Commission, very important interests of one or more partners are at stake, the Members of the Council will endeavour, within a reasonable time, to

reach solutions which can be adopted by all Members of the Council while respecting their mutual interests and those of the Community, in accordance with Article 2 of the Treaty.

2 With regard to the foregoing paragraph, the French delegation considers that where very important interests are at stake the discussion must be continued until unanimous agreement is reached.

3 The six delegations note that there is a divergence of views on what should be done in the event of failure to reach complete agreement.

4 The six delegations nevertheless consider that this divergence does not prevent the Community's work being resumed in accordance with the normal procedure.

.... there can be no doubt that in a trial of strength the ultimate power lies not just with the Member Governments but with any single Government. Doubtless Luxembourg could not hold the Community to ransom for long, but any other Member country could, if it chose, to, ignore the spirit and the letter of the Treaty."

The central issue is exactly the same now as it was at the time of the referendum on British entry to the EEC.

In the pages of this journal (Issue No. 35, p.1) we observed at the time:

"There are two theoretically possible lines of development for the EEC. One is towards complete economic and political integration culminating in the creation of a European superstate, with decisions being taken on the basis of majority voting either in the Council of Ministers or a European parliament.

The other is co-operation between sovereign states aimed at assisting each member to achieve a balanced, self-reliant economy with decisions being taken by national government representatives on the basis of unanimity, so that no state or group of states could impose their will on the others.

The first of these options would inevitably result in the economically strongest state or region dominating the rest, for uneven economic power gives rise to uneven political power.

It is sometimes argued that this need not necessarily be the case as the EEC is committed to giving regional assistance for the purpose of ensuring even economic development. Against this is the fact that the EEC is a capitalist organisation committed to a basic reliance on market forces.

This being so, there is no reas-

on to believe that regional aid from Brussels will be any more successful in achieving a rational geographically balanced industrial development than the system of aid to development areas pursued by successive post-war governments in Britain.

It is probably true to say that it was the existence of the Luxembourg compromise that persuaded a majority of the British people that membership of the EEC would not mean an abrogation of national sovereignty on vital issues.

The Government say that they are seeking a formal agreement to guarantee that national interests cannot be over-ridden.

The difficulty of trying to change the constitution of the EEC was sufficient to daunt the French at that time, but perhaps the ideal of European unity held by the founding fathers has been weakened somewhat in the intervening years. On the other hand the contradictions between the member states are likely to sharpen, and that could lead two or three of the bigger ones to the conclusion that the rot can only be stopped by greater centralisation.

If majority decisions become the rule, it will outweigh all the other arguments for British membership.

June 1982

## Blitzkrieg on the Lebanon

The Israeli aggression against Lebanon has been so much overshadowed by the Falklands issue that anyone could be forgiven for thinking it was a minor affair.

It is worth comparing the media treatment of events in the South Atlantic to those in the Lebanon. Considerable coverage was given to the fate of the Islanders after the Argentinian invasion. In contrast there has been little said about the 15,000 or so killed and the estimated 600,000 made homeless by the Israeli blitzkrieg.

The Israeli authorities can claim much credit for this. They have imposed a military censorship worthy of the Russians in Afghanistan. Not only have they stopped news of massive civilian casualties reaching home they have prevented foreign journalists leaving Beirut for the South, which has seen the worst indiscriminate carnage so far.

But it is also undeniable that the media in this country remains at best neutral to Israeli expansionism. Moreover, death and destruction have so long been part of daily life for the Middle East that dead Arabs no longer make good news.

Why is it that the Arab states have stood by and watched Lebanon being pillaged? Syria, whose troops comprised the Arab peacekeeping force in Lebanon

is the only notable exception.

It suffered heavily in engagements with Israeli forces until it withdrew by recognising a ceasefire. But apart from the Syrians (who are perceived by many Lebanese to have their own designs on the country) and a few hundred Iranian volunteers, we have seen nothing but the usual wringing of hands and empty rhetoric from Arab states.

The main reason is probably fear of Israeli military strength. Notwithstanding its reputation as the underdog, Israel's armed forces are the most powerful and best armed in the region. It is one of the few states in the world to spend over 20% of its gross national income on military uses. It has more combat aircraft than any other Middle Eastern state and as many, if not more, than most European states.

Israel itself is the most heavily subsidised state in the world and it realises its own strategic importance to the US and other Western states. For this reason it can shrug off the sham protests and diplomatic wrist-slapping by Reagan, Thatcher, and others. There is no danger of economic sanctions being applied to Israel. Her political power grows out of the barrel of a gun and the US dare not cut the supply of armaments.

There is little sign that the Israelis feel subject to any strictures on their conduct. However, there has been open dissent from the war within Israel. The proclaimed objectives of "Operation Peace for Galilee" have been supplanted with each new military success. Many were shocked when it became clear that the Minister of Defence had no intention of restricting the invasion to the so-called 25 mile 'security belt' on Israel's northern border. Even the title of the operation has been dismissed by some in Israel as ironic.

As for the Palestinians, the invasion could herald a turning point. The PLO and other resistance movements had formerly been centred in Jordan. They created a state within a state and presented a challenge to King Hussein which he felt he could not endure. They were expelled.

In Lebanon, the Palestinians have made the same mistake and have isolated themselves from a large section of the population. In cities such as Sidon there have been widespread allegations that the PLD gun emplacements were set near schools and hospitals in the naive but desperate belief the Israelis would not bomb them.

In consequence, even some leftist Lebanese leaders have declared that Palestinian guerrillas are unwelcome in areas controlled by their militiamen.

Where will the Palestinians go if ex-

pelled from Lebanon? They would not be allowed to return to Jordan. They have no home in Egypt. They would certainly not be allowed to retain their military command in Syria, if they were tolerated at all.

In the longer term however, Israel's belief that it can remove the Palestinian problem by removing elected PLO mayors on the West Bank or crushing the PLO in Lebanon only displays its reactionary arrogance. The Palestinian problem will not go away until the Palestinians achieve statehood in Palestine.

If the Israelis seek to remain in Lebanon they will have to maintain such an armed presence as will damage the electoral prospects of their Christian allies. The Maronite Christian leaders know this and have said so.

But the Israelis do not want to leave without handing over power to an American military force dressed in 'peacekeeping' clothes. The Americans are nowadays used to their client states fighting their own wars and have shown no support for the idea.

It is possible Lebanon will suffer a no war-no peace situation for years to come. In the meantime, the Israelis will continue to determine - by force of arms - who should hold the reins of power in this nationally sovereign state.

## Comment

Since the main article on the Falklands was written the British army has gained a military victory which has solved nothing.

The political problems which existed before the armed conflict have not only been added to, but the 'solution' offered by Thatcher will inevitably destroy the old way of life on the islands, the very thing that the Islanders wanted to preserve, or so we are told.

The 'solution' is one of increased investment both on land and the surrounding sea bed, and a permanent military garrison to ensure the safety of these investments.

Whatever the prospects of profit to the investors the cost of securing them will be a permanent millstone around the neck of the British taxpayer.

With the departure of Haig, the possibility of U.S. involvement in such a venture has become even more remote. That country is much too concerned with mending the fences with the Latin American states (which were damaged by pursuing the Haig policy of support for British re-occupation) to be concerned with getting Thatcher off the hook on which she has impaled herself by declaring that the Argentines must be permanently excluded from any settlement.

Those Latin American states that were lukewarm about the Argentine military action because of their fear of its military strength are, now that its strength has been diminished, coming out more strongly against a continuation of British colonial occupation. Continued British occupation will increase political instability in the region, not diminish it.

That is a situation which the U.S. dare not tolerate. It will have to decide whether to join with Britain in an attempt to impose joint domination in the region, or whether to work to influence the states of South America in order to exercise its dominance through them. It seems to us that the two options are incompatible, therefore the U.S. will choose the latter.

Some of the Islanders have already expressed dismay at the prospect of increased immigration, a sure consequence of economic development. Others are mindful that British occupation forces are a mixed blessing for, over the years, the number of girls of marriageable age on the islands have grown less because of the tendency for them to marry members of the occupation force and then return with them to Britain when their tour of duty is finished.

It has been said that the British vic-

tory has shown that aggression does not pay. On the other hand, Israeli aggression in the Middle East proves exactly the opposite. The only thing it proves is that a weaker power must choose its time and circumstances very carefully before attacking a stronger one.

According to military standards of measurement, the casualties incurred in the operation were 'light', but measured in terms of human and political standards the cost was unacceptably high when one considers that the number of British killed and seriously wounded in the operation was in the ratio of one for every six Islanders, and all to allow the latter to live out their day-dream of remaining a protected species.

At the onset the media was able to whip up support for the operation on a number of pretexts and also by creating the impression that 'the Argies' would be a pushover. Enthusiasm diminished as the human and material losses began to mount.

The increase in Thatcher's popularity during that period was as much due to the ineffectuality of the Labour Party as to positive support for Government policy.

\* \* \* \* \*

A similar thing can be said with regard to domestic affairs. The Thatcher government has intensified the process of de-industrialisation, has run down

the Social Services, and succeeded in keeping pay increases to well below increases in the cost of living.

The only nationally-based resistance has come from the employees in hospitals who lack the muscle to bring matters to a head because they do not have the power to hinder the profit-making process. Sympathy strikes by miners and others are signs of solidarity but at best they are only challenging the government by proxy.

A prolonged dispute on the railways would be a horse of a different colour but, as the vote at the National Union of Railwaymen's Delegate Conference in June showed, the membership is not in a mood to do so at the present moment.

Central to the whole issue is the question of the future role of the railways in the domestic transport system, and how they should be financed.

From every social angle the railways have decided advantages over every other method of transport, barring shanks' pony and the bicycle. They are more efficient in terms of fuel consumed per passenger mile or per ton mile, they cause the least pollution of the atmosphere and the environment in general.

The snag is that, because of capitalist methods of running them which require a huge administrative superstructure, and capitalist methods of accounting (as distinct from social account-

ing), they are unprofitable and require subsidising.

For many years the N.U.R. leadership has followed a policy of 'partnership' with the British Railways Board and the Government for the expressed purpose of making the railways more efficient with the emphasis on modernisation.

The term "Balance Sheet of Change" was used to describe the state whereby the contribution from each party (British Rail, N.U.R., and Government) would be linked with those from the other two. The theory was that cost savings made through increased productivity (brought about by changed work practices) would result in better wages and working conditions for British Rail employees, and would be matched by injections of capital and financial support from the government.

But over the years changed working practices have only resulted in thousands of jobs being done away with.

In the course of time, and particularly in the last couple of years when alternative jobs have been hard to come by, resistance to change has become more pronounced. Alongside this, the present government has failed to keep its side of the 'understanding' and has reduced capital investment in the industry and financial assistance for it, even though the N.U.R. has kept its side of the bargain.

Support for this view was expressed by Sir Peter Parker at a meeting of the British Rail Council meeting, when he told the Minister of Transport,

".... the industry had made significant strides in productivity terms during the last year to eighteen months .... There was a feeling that, whilst the industry had delivered its side of that Balance Sheet, the government had not moved at the same pace and there was now a need to bring forward vital decisions on investment required by the industry. .... There was an urgent need for Government decisions to rectify the imbalances within the Balance Sheet of Change .... It had to be stressed most strongly that the industry had delivered on every target set by Government over the past five years."

Things came to a head when Management replied to a claim submitted by the Rail Unions with an offer of 3% in April when the increase was due, a wage freeze from April until September, followed by a 5% increase with productivity strings attached. This, despite the fact that 15,510 jobs were eliminated on the railways between April 1980 and April 1982.

The total cost savings, based on August 1981 rates, are approximately £74 million on an annual basis. These are recurring savings, not once and for all, and take no account of savings in

fuel, track equipment, maintenance, etc. of £25 million or more. Altogether this amounts to 5% of the British Railways Board total pay bill, but none of this was used to improve the pay and conditions of railwaymen as the Board had promised.

The N.U.R. stated:

"From the Union's point of view and those employed in the industry it seems that, while the industry has fulfilled its side of the bargain, the Government has hung back from fulfilling its side .... On the financial side the Board's External Financial Limit has been so harshly set that, at a time when the industry desperately needs investment, we are being forced to reduce spending on essential renewals and modernisation. The level of support for passenger services has been cut by £15 million compared to last year and there is growing evidence that lack of funds is leading to more and more speed restrictions on the track as the backlog of maintenance mounts."

"Sacrifices made by the industry have not been matched by Government approval of investment projects. Instead they have made demands for greater sacrifices."

Sidney Weighell, General Secretary of the N.U.R. and chief protagonist of the 'Balance Sheet of Change' approach, be-

came trapped between his members who were resisting further changes in work practices, and the Board which was demanding more of them.

Meanwhile, the composition of the Executive Council had changed and become more militant in response to growing opposition from the rank and file to the practice of swapping jobs for promises.

When the Board made its derisory offer a majority of the E.C. evidently felt that rank and file opposition to changes in work practices could be translated into action behind a demand for removal of the productivity strings from the 5%.

However, the logic of the rank and file did not correspond with that of the Executive Committee and when they had the opportunity to express their opinion (as they should have been allowed to do in the first place) it became clear that they felt that their values were different.

We would venture a provisional opinion based on a restricted area of investigation, that three main factors influenced rank and file decisions:

1. The prospect of losing several weeks' pay in order to gain a maximum of 5% did not seem to make sense.
2. Although there is growing opposition to changes in work practices which

involve loss of wages or jobs, it is localised in the sense that only those immediately concerned are prepared to take action, i.e. drivers and guards.

3. The main reason why the response was relatively good, despite the other two factors, was the feeling that to refuse to obey the strike call would weaken the Union and so give the employers the signal to get the boot in.

The most positive features of the action were that it gave members a taste of the power they have to shut the place down, and the discussions and arguments that took place around the question of whether or not to support the strike.

In any case, it was only a preliminary skirmish. The real battles are to come.

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