

The Marxist voice of the labour movement

Socialist Appeal

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must**

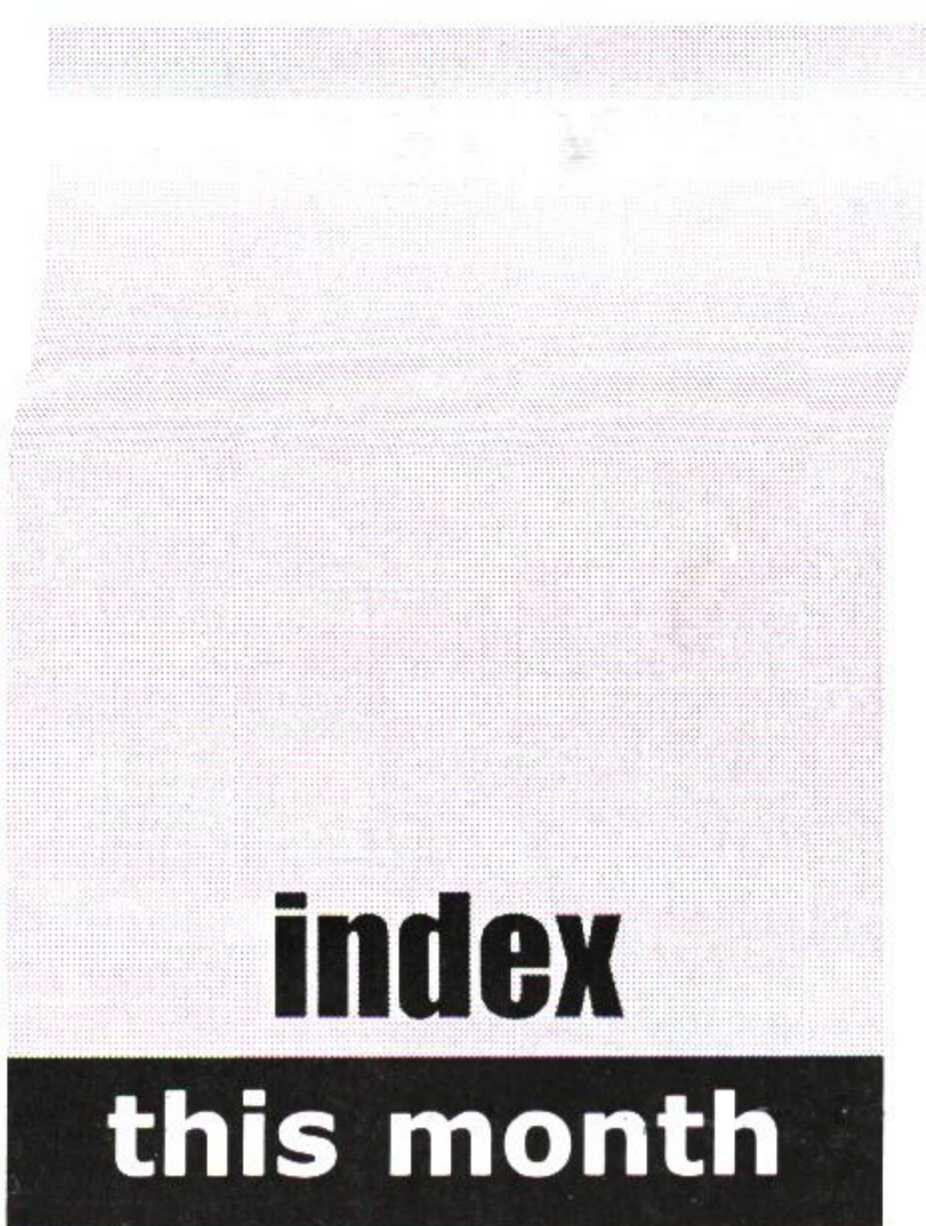
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index
this month

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Editorial: Don't get angry, get even!.....3

Lessons of Clare Short's Resignation.....4

Three Views of Blair:5

News: Sparks fly at Marks.....5

It's official: The worst living Briton is - Tony Blair!.....7

Exposing the media myths about asylum seekers.....9

Bosses "fat cat" scandal explodes.....10

'Old Labour' alive and well in Wales.....11

Sharks, leeches and other money lenders.....11

Ireland: Stakeknife and The British State in Ireland -
 Collusion, Infiltration and Murder gangs.....14

French workers move into action against Raffarin.....20

Morocco - US imperialism
 brings back the spectre of al-Qaeda.....21

The end of social peace in Austria.....22

UN rubber stamps US-UK occupation of Iraq.....24

Book reviews.....26

Football pays the penalty.....27

Rewriting history28

Fighting fund: Socialist Appeal to all readers.....30

Amicus - page 6

Left on the march

UNISON - page 8

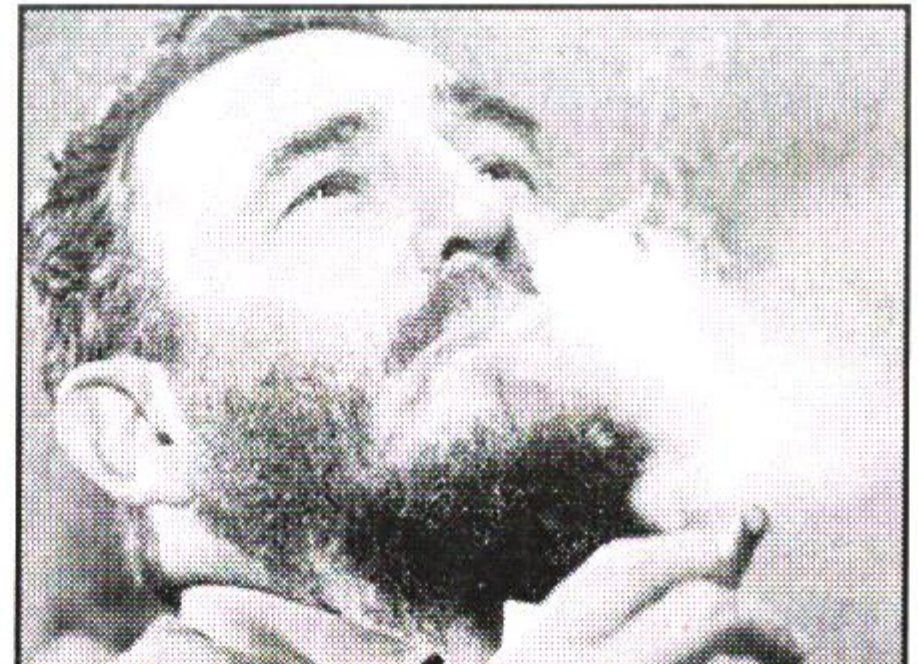
Labour Party link under attack!

Political conference calls for 'regime change'

The socialist case against euro entry - page 12



Cuba:
 Executions and repression -
 A class point of view
 page 16



The deadline for articles for issue 114 is June 15th

Don't get angry, get even!

With the union conference season in full swing, discussions about the Labour-union links have once again resurfaced. Last month, Bectu, the 26,000-strong broadcasting and entertainment workers' union overwhelmingly agreed to ballot its membership over its links with the party. It is possible others may follow suit.

Without any doubt, there is massive dissatisfaction in the trade union movement with the pro-business stance of the Blair government. Public sector unions in particular are bitter at the government's continuation of Tory policies in the form of 'Best Value' and PFI, resulting in further attacks and cuts against workers.

High hopes in 1997 have turned to disillusionment. This is reflected by the tumbling turnouts in elections, most recently in the local, Welsh and Scottish elections.

Interestingly in Wales, where the Welsh Labour Party distanced itself from Blair they scored a great success. Promising free bus passes for the elderly, free school meals for pupils, abolition of prescription charges, no to tuition fees and no to foundation hospitals, Old-style Labour, trounced the nationalists and won back Llanelli, Islwyn and the Rhondda. In Scotland a small party standing to the left of Labour, the SSP, won six seats and the Green party also picked up seven seats in the parliament.

Opposition to Blair's policies has also come from within the Labour Party. Even within the parliamentary party there have been a series of back-bench revolts over tuition fees, the Iraq war, foundation hospitals, restrictions on trial by jury, and legislation against the firefighters, the last three in the space of two weeks. The resignations of Robin Cook and

Clare Short over the issue of Iraq were a massive blow to the government. Short's attack on Blairism was especially to the point, as we analyse in a further article, and will have far-reaching consequences as the groundswell of opposition builds up.

The trade unions, however, have always been the key to the Labour Party. It was the rightwing trade union leaders, such as Sir Ken Jackson, who supported Blair and his cronies to the hilt. With their help, Blair was preparing to break the union links. Now the project has started to unravel. His props within the trade union movement have fallen by the wayside, one after another.

Over the past few years, in a string of union elections, the Blairite candidates have been resoundingly defeated. The biggest setback for Blair was the defeat of his erstwhile supporter Ken Jackson of the AEEU. The executive elections in September could see a further victory for the left. Again, the recent election of Kevin Curran in the GMB, a powerful industrial union, also served to reinforce this shift to the left in the trade unions.

Most recently has been the defeat of Blair supporter, John Kegee, deputy general secretary of the CWU, by leftwinger Dave Ward. "The result is a further setback for Downing

Street, which is losing its grip on the TUC and Labour Party machinery", states The Guardian newspaper. (23 May 2003)

As we go to press, the result is immanent in the election of general secretary of the TGWU. Leftwinger Tony Woodley is favourite to win. If he so, he has promised to convene a summit of trade union leaders to reclaim the Labour Party. This could provide the catalyst for such a transformation of the party.

With Blair on the run, is it time for the trade unions to disaffiliate from the Labour Party? We say ABSOLUTELY NOT! Such a move would simply play into Blair's hands. It is exactly what the Blairites want. They want to eliminate the trade union (i.e. working class) base of the party, so as to transform it into a capitalist party. Up until now, they have completely failed in this 'project', as they call it.

The task facing the trade unions, which created the Labour Party, must be to kick out the Blairites and take back the party for the working class. There has been a lot of talk, but now we have to transform words into deeds. We support Woodley's initiative to call a summit of leaders to reclaim the party. To begin with, the 12 trade union representatives on Labour's NEC must represent

union policy or be removed. Secondly, if the unions were to send 50 members into every constituency party, they could take it over. It would be sufficient to trigger the full reselection process of sitting MPs. Thirdly, the unions should give fully backing to a '300 Club', aimed at signing up 300 trade unionists to each Constituency Labour Party. Lastly, they should draw up a list of potential replacement candidates who will consistently fight for union policies.

The unions have the resources to help its members join the Labour Party. In the past trade unionists were given a special rate of £3 to join. The unions should reinstitute this scheme. The members political levy should be used to subsidise members to join the Labour Party. This is not to cut the finances to the party, only that they will get this money through membership fees instead of donations, sponsorships, etc.

The FBU has just donated £12,000 to the Labour Party. This could have been used to help hundreds of FBU members join the party, a number of whom could have joined say, John Prescott's party in Hull East, or maybe Nick Raynsford's party in Greenwich and Woolwich. On the basis of the rules, which stipulate One Member One Vote, every potential Labour candidate would be judged by the policies they support. Obviously, the trade unionists would cast their vote for those closest associated with union policies. Together with other trade union members, they could decide, at the snap of their fingers, the best candidate to represent Hull East and Greenwich and Woolwich at the next election! Think about it.

The unions have the power to change the Labour Party. Now is the time to act. □





Lessons of Clare Short's Resignation

We are in a period of sharp and sudden change. The resignation of Clare Short, the former international development secretary, was a shattering blow to the Blair government. It could spell the beginning of the end for Blair, as things begin to unravel with increasing speed.

by Rob Sewell

Clare Short's 11-minute resignation speech, in contrast to Robin Cook's, was heard in total silence in the House of Commons. The assembled ranks of parliamentarians were shell-shocked. While some stared with blank expressions, others could be seen gleefully smiling as Clare Short steamed into the government. She was openly stating what others were thinking and saying in private. Not surprisingly, Blair chose to stay away on this occasion.

Ostensibly, the cause of Short's resignation was Tony Blair's breaching of assurances he made to her about the need for a "UN mandate to establish a legitimate Iraqi government". But there are far wider implications than this issue, which effectively labelled him a dishonest manoeuvrer.

Clare Short's resignation speech contained several bluntly-worded parting shots at the prime minister, for instance accusing Tony Blair of being "increasingly obsessed with his place in history".

She urged the prime minister to start preparing "an elegant succession" and that "it would be very sad if he hung on and spoiled his reputation." In other words, Blair should be subject to a regime change and he should be forced to resign. This is the most outspoken challenge to Blair's leadership from any former Cabinet minister. It will get

an echo from trade unionists and ordinary party members fed up with the openly rightwing direction of the government.

In an aside which will anger Downing Street but strike a chord with many MPs, Clare Short insinuated that power had gone to Blair's head: "There used to be a saying of the Tory whips when they were in power - this is the Tory whips, not me - No one ever comes out of No 10 completely sane".

"Reckless"

Prior to the Iraq war, she had accused Blair of being "reckless", but failed to follow this through with an expected resignation at the time. To keep her within the Cabinet, she was promised a UN role in the reconstruction of Iraq, and naively she accepted these false promises at face value. The situation became clearer to her as time went on. She felt betrayed. Now she states correctly that the US-led coalition is now seen as "occupying powers in occupied territory", like the Israelis in Palestine.

Blair had failed to stand up to President Bush - and was not so much a poodle, she said, ("poodles get off their lead and jump about") as a figleaf. "Fig leaves just stay where they are," she told *The Guardian*.

However, her outspoken attacks have struck at the very heart of Blairism and New Labour. Blair rules through an

unaccountable clique at the top, effectively ignoring the Cabinet, and even the elected representatives in the Commons. Short denounced the unelected Blair coterie's "control freak style" and their policy "diktats in favour of increasingly bad policy initiatives" that "come down from on high". She went on: "I think what's going on in the second term in this government, power is being ever increasingly centralised around the prime minister and just a few advisers, ever increasingly few. The cabinet is now only a 'dignified' part of the constitution. It's gone the way of the privy council."

The fact that Baroness Amos from the unelected House of Lords has replaced Clare Short is symptomatic of the way Blair runs government. It is riddled with favouritism and corruption as a means of reducing accountability. Those whom the prime minister does not trust are simply elbowed aside. The Labour leader now has just eight of the 21 cabinet colleagues he set out with in 1997 still around the coffin-shaped table at No 10.

Bourgeois entrism

Blair has - through a policy of bourgeois entrism - attempted to transform the Labour Party into an openly capitalist party. This project has failed, as we said it would. The trade union base of the party remains intact. And the

key to the Labour Party, as always, is the trade unions. Under the control of the right wing, the trade union tops, like Sir Ken Jackson, enthusiastically supported Blair. Now, with the growing shift to the left in the unions, that support has crumbled. This places Blair under threat.

The resignation of Clare Short is one important stage in the decline and fall of Blairism. There will be much deeper crises in the future, entailing splits and divisions at the top, and rebellions in the ranks. The revolt in Parliament over foundation hospitals, a Tory policy, was the biggest on any domestic issue.

We have entered uncharted waters. The Blairites thought they had everything sown up, but they are wrong. The pendulum has begun to swing back to the left, as indicated by the elections within the trade unions. Before long, this process will affect the Labour Party. It will take the form of reclaiming the Labour Party and the need to adopt a socialist programme to answer the crisis. Clare Short warned the parliamentary Labour party of "rockier times ahead". On this perspective we are in total agreement. The Marxist tendency around *Socialist Appeal* will play its full part in strengthening this leftward movement, and transforming the mass organisations into weapons of working class emancipation. □



Three Views of Blair:

The Tory, The Labour Lord and the party activist

"His place in history will be as the prime minister who, on coming to power with an overwhelming majority, did the least with it, despite an unusually weak opposition.

On top of that, it looks as though he will do equally little with a second enormous majority. He has been too busy stealing Margaret Thatcher's clothes to follow social-democratic, or even Tory one-nation, policies. He will be remembered as a winner and hoarder of power, not a user of it."

**Lord Gilmour,
former Tory cabinet minister**

"We have lost, under Blair, the hellraising civil war of the past, and thank God for that - but instead he has overseen the creation of a spineless, non-inquiring, non-democratic Labour party which is quite helpless. The cabinet and the party and the commons have become, simply, dignified parts of the constitution that don't otherwise matter. The only things that matter are Blair and his (largely unelected) entourage, and I can't say that we have seen a government like that before, not even in wartime under Lloyd George and Churchill. British politics doesn't appreciate Caesarism or the Bonapartist style."

**Lord Morgan,
Labour peer.**

"We have had our lives blighted by this nasty little scheming Christian in No 10. He is dishonest, dissembling and behaves like this because he has God on his side. There is a messianic madness to him. The guy is just vomit-making,"

**Bob Knowles, Chair, East Putney
Labour Party branch.**

All quoted in *The Guardian* May 15, 2003

Sparks fly at Marks

by Ian Woodland, Southampton Labour Party,
personal capacity

Last week, Tuesday 20th May, management at Marks and Spencer announced wholesale changes to the contracts of part-time workers. Hours and conditions were to be "modernised" at the bequest of the bosses to suit changing "economic conditions". In other words the shop floor workers had to pay for the mess management had got the company in over the years, in order to keep their profits up. It is obvious that these changes will eventually affect all fulltime staff as well.

I discussed with my partner Tracey, who is a p/t section manager at a local store in Southampton: "two weeks ago I was called to a meeting to discuss the next stage of the company's strategy "fit for growth". It was made clear at the time that any leaks from this meeting would lead to dismissal!!"

The changes included drastic alterations in ours of work to suit "business requirements", with the managers choosing who will get these "favourable" hours, Tracey continues "my store manager said to me that if they dont like it they can get out! We have a business to run!"

Premium payments, double time in other words, for Sunday work will be stopped.

Christmas bonus, will be spread over the year instead of a lump sum at the beginning of December, effectively getting rid of the bonus.

I asked Tracey what the mood was at the store "every-one is gutted.

There is a real anger at the store amongst the staff. There is talk of getting the union in. Where I have raised the issue of joining the union (USDAW) I have received an enthusiastic response.

"I spoke to the security guards and they were fuming. They have been given ten weeks before their contracts would be taken over by a outside company, in this case Securicor." On this Tracey immediately contacted me and I put them in touch with the local TGWU organiser who is now representing them. When these security guards challenged the boss over this they received the reply "thats business!" This shows the utter contempt the people have to the workforce.

Marks and Spencer have in the past been a flagship for good staff relations. The good pay and benefits are under attack. With the recession in the retail trade generally, these attacks will increase. This is a brilliant opportunity for USDAW to get a foothold in this onetime great company. Shopworkers will and are fighting back against the jack-boot tactics of the bosses.

Last words from Tracey "I believe this is just the beginning. While Luc Vandervelde, M&S managing director, has seen his pay increase to £1million for a three day week, his accomodation paid for by the company, at one of the big posh hotels in London, we see our pay and conditions eroded. I would urge every sales assistant to join a union". □

Left on the march

by Kris Lawrie,
Amicus member

Militancy is on the march in Britain and heading for a showdown with the Labour government. The string of left-wing victories in the unions over the last period express the growing frustrations of workers, beginning with growing discontent on the shopfloor and culminating in the election of a whole series of leftwing national leaderships. The movement is cutting out the dead wood - after 20 years of attacks and no fightback from either the union leaders or the Labour government, the workers patience is beginning to break. This process is revitalising the movement, reactivating older activists and bringing a whole layer of new young activists to the fore, and breathing new life into the old broad left organisations.

In no union has the change been so quick and as noticeable as in Amicus, the one million strong union, newly formed through last year's merger of the AEEU, engineering and electrical union, and the MSF which organises financial and clerical workers. The old AEEU was a bastion of the rightwing under successive leaders, and most recently Sir Ken Jackson - 'Blair's favourite' union leader. The rightwing 'mafia regime' of Sir Ken was decimated by the election of Derek Simpson to the post of general secretary. Jackson and his cohorts got what they deserved, after years of class collaboration and 'sweetheart' (no strike) deals with the employers, which undermined the union's ability to fight. With the end of the regime of fear and favour, and a massive symbolic defeat, the rightwing, who naturally hate and are suspicious of each other, have splintered into many rival factions. The task ahead for left union activists is to pursue and smash the rightwing for good, in the

Executive Committee elections in September, and win the union back for the members.

Unlike the rightwing, the left structures have come together to fight the elections with a joint slate. Amicus Unity Gazette, which will be the broad left of the new union, met last month to discuss the plans for the forthcoming conference and the EC elections. Approximately 150 activists from around Britain attended the meeting, and there was a good balance between AEEU and MSF members. There is a very good mood among the activists who feel that after many years fighting against the stream, now their time has come.

Merger

The main items for discussion were the progress in the merger between the two unions, and how to take the struggle forward. Firstly what position the left should take on the new draft rulebook, which will be either

approved or rejected at the joint rules conference in June.

Secondly the selection of a full slate to stand in the joint EC election that will be in September of this year.

The draft rulebook that is currently under discussion is a step back for democracy in the MSF section. The MSF currently enjoys lay control of their union at branch and regional level in both finances and election of officers. The draft rulebook replaces elected lay Regional Secretaries with un-elected full time officers. It also restricts the amount of money branches and regional councils can spend and stops them from making donations to individuals or political campaigns and prevents branches from supporting industrial disputes. The union conference is reduced from an annual to a biennial conference and is no longer the sovereign body of the union, losing control over the financial affairs and management of the union to the

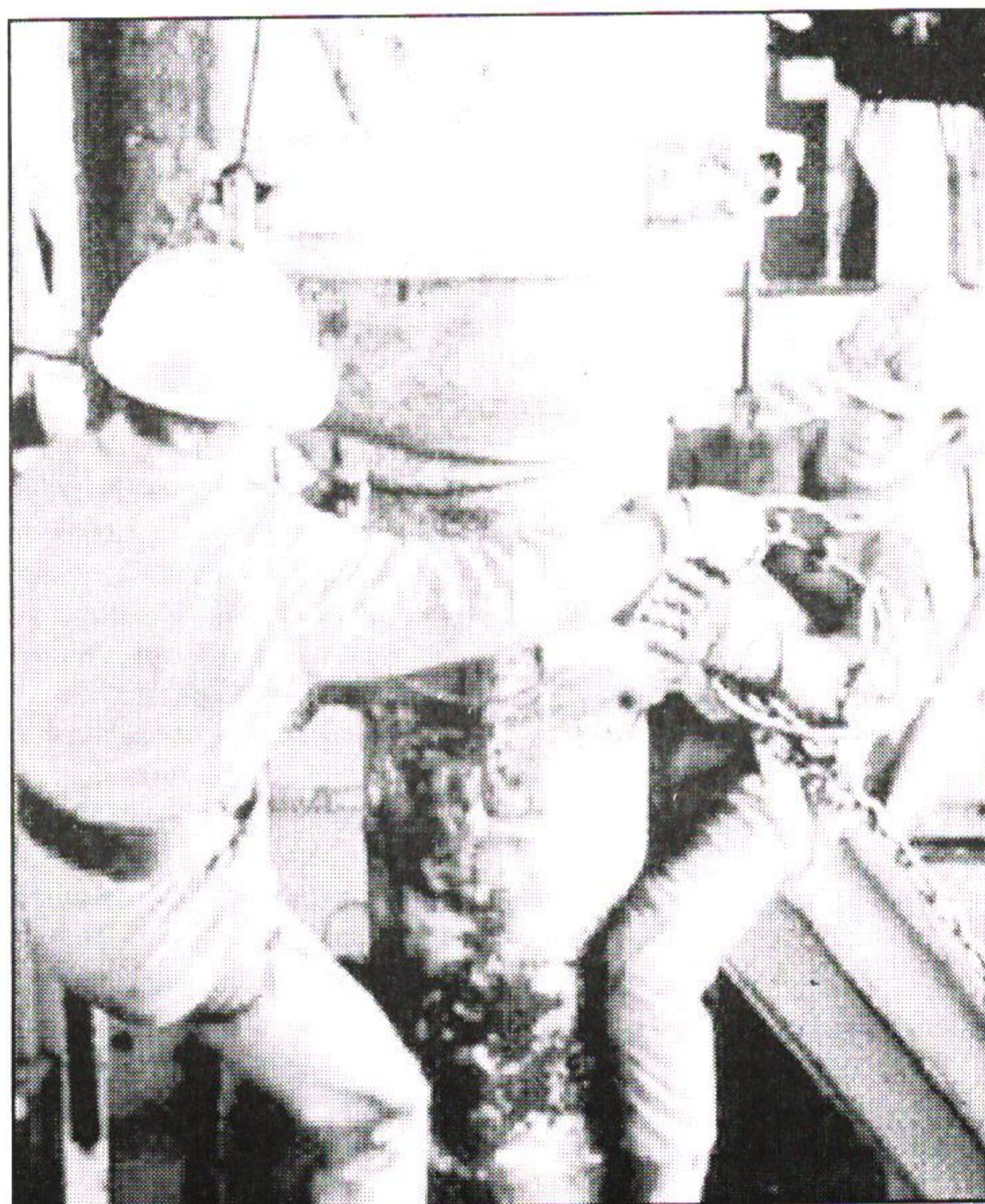
Executive. The rules conference is altered from every four to every six years.

For the AEEU the draft rulebook is a modest step forward in that it restores election of lay branch officers and some level of financial independence for branches as well as creating a regional council structure that matches the previous Divisional Councils under the old AEU rules. It falls far short, however, of the accountability and control by the members called for by the left in the General Secretary election campaign, prominent amongst which was the restoration of election of full time officials.

The main task ahead is the democratisation of the union to give the power back to the members and secure democratic structures that will faithfully represent the members' interests. The rulebook is a very important part of that fight, and we must have the most democratic rulebook possible. However despite the shortcomings of the draft rulebook the decision was taken to give it tactical support, because without a rulebook the EC elections could not go ahead. The main priority at the current time is to get a left majority on the EC, which could then immediately take up the issue of a democratic rulebook.

The Gazette fought a hard campaign to secure the victory of Simpson in the General Secretary election. One of the lessons of that campaign is that when the ideas are put forward in a clear and bold way the membership will vote for them, therefore the Gazette had decided to put up a full slate in the EC elections, and fight tooth and nail to win every seat, and this has now been drawn up.

At stake is the control of the union. A victory of the rightwing would mean a continuation of the discredited ideas that the membership rejected in the election of Derek Simpson. A left EC will mean the beginning of a struggle to return the union to



the best democratic traditions of the past, an end to the policies of class-collaboration, and the beginning of a serious fight to win back all that has been taken away from workers over the last period, and more on top.

But the Amicus EC elections have a great significance for the whole movement. The philosophy of New Realism (Blairism) in the Labour movement was introduced and maintained by the rightwing trade union leaders in the 1980s and 90s. The leaderships of the old AEU, and EETPU (later merged into the AEEU) were at the forefront of this, and their current disarray and imminent demise are very significant for the movement.

'Sweetheart deals'

At last year's Labour Party conference, Blair's motion in favour of the war in Iraq was won on the basis of the block votes of the 'big four' unions which dominate the British labour movement. The election of left-wingers to these union leaderships represents a shift away from the discredited ideas of social partnership, 'sweetheart deals' and in the last analysis Blairism. The swing to the left that is taking place throughout the whole labour movement will cut the ground from under Blair's feet. Slowly but surely the sleeping giant of the British labour movement is awakening and the shift of mood among the rank and file is gaining greater expression and momentum.

A left EC will mean a leftwing Amicus delegation at the TUC and the Labour Party conferences, which in turn will mean certain defeat for the party leadership on issues from the 'War on Terror', to the reform of public services. This would cause a crisis in the labour movement, send the right into retreat and greatly accelerate the shift to the left. Over the next period the movement will continue to cleanse itself returning the best, most able militants into key positions of leadership. The Blairites have watched in horror as their allies in the unions have been thrown out by the left-moving memberships - and so they should because the unions are coming more and more into conflict with the Labour government, and having cleansed themselves they will take up the task of reclaiming the Labour Party.

The immediate task is to campaign hard to win the EC elections, and return the union to its democratic traditions. For many years the AEEU was the bastion of the rightwing in the TUC, in the future Amicus will become the rallying point for the left, and the struggle of the working class to reclaim the Labour Party, and begin a fight-back to improve our wages and standards of living across the board.

The full Unity Gazette slate has not yet been announced, but at least three well-known *Socialist Appeal* supporters are standing in the elections. Mike Gaskell in the energy sector; Phil Willis for the construction sector; and Peter Currall in the Metals sector. □

It's official: The worst living Briton is - Tony Blair!

by Ruth Castello

In a recent TV vote carried out by British TV Channel 4, people were asked to say who were the worst 100 living Britons. The result was interesting, but perhaps not surprising. Tony Blair came top, earning first place in the list of the 100 most detested people in Britain!

The criteria of those who chose the worst 100 living Britons was obviously much sounder than those who last year chose Churchill as the best Briton ever.

Runners-up in the unpopularity race included Margaret Thatcher (number 3), after one particularly vulgar female model, and the Queen in tenth place. Several other members of the royal family had the dubious privilege of being included in the list: Prince Charles, Prince Edward, Countess of Wessex, Sarah Ferguson, Princess Anne...

Around 100,000 people took part in the vote. The scientific character of the results has been questioned as this was not a sample chosen at random, but a self-selected group who voted "with premeditation".

No matter what the experts in statistics may claim, the fact that such a large number of people bothered to speak their mind when they had a chance, and the fact that the final names are what they are, shows the profound dissatisfaction of the British people with their institutions and establishment, starting with the current head of government.

True, the survey was carried out on the eve of the war against Iraq when the vast majority of the population opposed the war passionately. But this was only the "straw which broke the camel's back". Before that we saw the disgraceful behaviour of a Labour government in the Fire Brigade dispute when two thirds of the population were supporting the strikers, to cite just one other example. In general, this government is far out of touch with the opinions and aspirations of ordinary people. This is the message of the poll.

It is also significant that so many pop and film stars scored badly. Among others we have a couple of Spice Girls, Sir Cliff Richard, Naomi Campbell, Catherine Zeta



Jones, Elton John, David Beckham. These are usually presented in the media as popular figures and role models whom we must all imitate and strive to be like!

This tells us a lot about how most people feel about every day life. They are completely fed up with the show biz "personalities" who are forced into our life through all the media whether we like it or not. The very fact that people can accept this is a reflection of the absolute emptiness and lack of personal incentive and perspective that characterises the lives of many. It is just a meaningless routine in which "today is like yesterday and tomorrow like today". But this poll shows that many people are no longer happy with "bread and circus", as in the days of the Roman Empire.

There was one surprising result: Iain Duncan Smith, the Tory leader, scored rather nicely, coming in at 99. However, this does not show he is a popular figure but simply confirms that he is such a nonentity that people do not consider him worthy of mention. In all probability, they did not even remember his name.

Tony Blair may be trying to find refuge behind the opinions of those who are in the business of producing statistics, but this will not change reality. This poll reveals the growing discontent of the British public in general, and the working class and youth in particular. A man with a high fever will not get very far by smashing the thermometer to prove he does not have a temperature. This is just how Tony Blair is behaving now. □

Labour Party link under attack!

by Gray Allan, Branch Secretary & APF Officer, UNISON Falkirk 07340

Over the past months there has been debate inside many unions about the links between the trade union movement and the Labour Party. This is not a new phenomenon - it has always been around, pushed both by the Tories organised as the CTU or Conservative Trades Unionists and by the various groups on the far left. As the New Labour tendency in the Blair Government began to push forward their programme of private finance of public services like schools and hospitals trade unionists began to question why their hard earned dues should be going to support a party, which in Government was acting against their interests.

The election of Left leaders in some trade unions sharpened the debate as unions like ASLEF under Mick Rix began to challenge the New Labour leadership and call for a review of the amount of cash given by the unions to the Labour Party. This has been repeated in UNISON, Britain's largest union whose General Secretary Dave Prentis is now being named as one of the group of young left wing trade union leaders.

UNISON was set up in 1993 by the former unions NUPE, COHSE and NALGO. NUPE and COHSE had been affiliated to the Labour Party since the earliest days while "white-collar" NALGO (the National and Local Government Officers Association) had strongly resisted any link with Labour. NALGO members had been balloted on affiliation to the Labour Party in 1982 and

had voted 5:1 against the move. The deal that allowed UNISON to be founded was that the Union's political fund has 2 sections. Only one of the sections is affiliated to the Labour Party, the Labour-Link Fund. The other fund the General Political Fund, pays for campaigning work and cannot be used for Party political purposes. Members choose which Fund they pay their political levy to.

Review

UNISON Conference in 2001 decided to carry out a review of the political fund arrangements. The result of the review will be put to the Union's Conference in

Brighton in June. The Review recommends that the existing arrangements continue but that the Political funds do more to keep members informed of their activities. Supporters of "Socialist Appeal" in UNISON would support this but would demand that the UNISON Labour Link be democratised, opened up to rank and file levy payers and transformed into a campaigning organisation that can lead the fight to win back the Labour Party from the New Labour tendency that has temporarily hijacked it.

Some lefts in UNISON will try to amend the final report establishing one unified political fund to allow the union to support other political parties (i.e. theirs!) If this were to happen which

parties would get the money would have to be decided by some democratic mechanism. This could result in UNISON members' money going to the Tories, which would be ludicrous!

The call for UNISON to break its link with the Labour Party is an understandable reaction to the right wing anti-trade union policies of Blair and his cronies. Understandable but wrong! The outlook has never been more promising for the Unions and the left to transform the Party. UNISON as the largest affiliated union should now join forces with ASLEF, NUJ, RMT, CWU, FBU, PCS and that former bastion of the right AEEU-Amicus to bring Labour back to its socialist roots! □

UNISON political conference calls for 'regime change'

Delegates to Unison's APF (affiliated political fund) national conference called for 'regime change' in the Labour Party.

The calls came from delegates at the Glasgow conference following a combative speech by general secretary Dave Prentis. Visibly angry, Dave criticised the government for failing to carry out a review of PFI, in blatant disregard of a resolution carried at last year's party conference. He bitterly condemned the government's failure to respect any form of democracy, pointing out that the proposal to create 'foundation hospitals' had not been included in the last election manifesto, and that a senior post to oversee the new hospitals had been advertised in the national press before the bill had even gone through its formal parliamentary stages. The government had been completely wrong to interfere in the FBU's negotiations with their employers, he continued, and the

threat to impose a deal had implications for all workers.

He called on Unison members not only to become active in the APF, but also to take up their delegations on the GCs. It was time for the unions to reclaim the party, he said. There was no need for any new party - the unions already had a party, but it had been hijacked. He cited Amicus's drive to encourage members into the party as an example to other unions.

A number of good resolutions were passed on issues such as pensions, the anti-union laws, the Middle East, and the firefighters' dispute. It is clear that members' patience has been pushed to the limit. They are fed up with Tory policies from a party they finance and support. The time really has come for a 'regime change'. □

Pam Woods
Delegate, London Region
(personal capacity)

Exposing the media myths about asylum seekers

by Bill Lawrence

You cannot turn on the television or pick up a paper these days without finding a barrage of propaganda around the question of bogus asylum seekers, coming over to Britain by hook or by crook, to cheat honest hardworking citizens out of the fruits of their labour. This country, we are told, is a 'soft touch' on asylum seekers. Tories, Liberals, and even Labour; all are singing from the same song sheet, and a very odious melody it is. We hear stories about how the country is being 'swamped' by immigrants and asylum seekers who are 'stealing the jobs', or being given luxury council houses (who has ever heard of such a thing?), and hundreds of pounds a week in benefits.

The result of this state of hysteria, which is consciously created by the media, is that people see a problem where none exists. An opinion poll conducted in 2002 revealed that the majority of the population believe Britain takes a quarter of the world's refugees - the actual figure is less than 2%. Of the 15 countries in the EU Britain is 8th in terms of the number of asylum seekers we accept per head of population. In 2002 there were 85,865 applications for asylum, an increase of 20% from the previous year; of these only 8100 were finally granted asylum, and 19,965 were granted exceptional leave to remain, 54,650 were therefore knocked back. So in 2002, a year with a sharp increase in asylum applications, we took in around 28,000 asylum seekers, and we are expected to believe that this number of people are swamping a country with a population of 60 million people.

In the recent local government elections the BNP made limited gains in some areas on the basis of tapping into the mood of frustration that exists thanks to the failure of the Labour government. There has been no serious turn to the right, on the contrary the working class is moving to the left after years of attacks, but workers simply feel that none of the political parties is offering a solution to their problems. Under these conditions a very small number have voted for the BNP as a protest vote. The poisonous, racist ideas that they peddle are much the same as those that come out of the mouths of representatives of all the mainstream parties. However when it comes to explaining the fall in the election turnout, and the gains that the BNP have made, the same politicians blame the workers, we are accused of 'apathy', and of having no interest in the political process.

The greatest crime of all is that we have a Labour govern-

ment that was put in power by the workers, to represent our interests; instead it is attacking workers, and putting forward divisive rhetoric to deflect the responsibility from themselves, and create a climate of hysteria about immigrants invading our shores. The Labour Party and Trade Union movement could disarm the racist ideas of the BNP, and the mainstream bourgeois parties at one stroke if they put forward class-based policies in the interests of the workers. Instead Britain's Labour leaders are attacking wages, housing, education, the NHS, and the welfare state at home, while bombing workers abroad - and all of this in the interests of the bosses. Is it any wonder that nearly half of the total number applying for asylum in Britain last year came from just three countries: Iraq, Afghanistan, and Zimbabwe?

The bosses foster a culture of racism in the same way as they try to foster a climate of competition between employees; this is for the simple reason that

they want to prevent solidarity between workers from posing a threat to their interests. In the same way the government and their hired lackeys in the media blame the immigrants for the poverty that exists in Britain, for the lack of jobs, and the bad housing.

But there is no shortage of jobs needing to be done in Britain, and there is no shortage of money floating around to pay for them to be done. The problem is that the money is in the hands of the capitalists, and while they are more than pleased to invest provided the return is high enough; they insist that the return should be measured in hard cash, and not in the benefits for the population.

The immigrants and asylum seekers are not stealing our jobs and houses. It is the British and foreign banks and multinationals that are not, and will not invest money to improve peoples lives. The only way to solve the problem is through the working class moving to transform the mass organisations of the labour movement, and then through a serious fight for a Labour government that will implement socialist policies in the interests of the working class.

This would allow a massive investment programme in education, housing, health, and other public services, and the introduction of socialist planning into all areas of industry to allow us to use our resources for the benefit of the whole population. Under such a system every individual would be free to work, and contribute through that work to the betterment of society. Today's scarcity of jobs and homes is caused by capitalism not asylum seekers. It is this system of shortage that breeds hatred that is our enemy. □



Bosses "fat cat" scandal explodes

by Steve Jones

They were warned. But the board of GlaxoSmithKline (GSK) paid no attention. So what if their chief executive and fat cat supreme Jean-Pierre Garnier 'earned' a mere £3 million last year whilst company share prices plummeted. So what if he is set up to get a 'golden parachute' payout of up to £23 million should he get the sack for failure whilst hundreds of jobs have been axed. They weren't worried - surely it would be just like all the other large company AGMs which takes place up and down the country, year after year?

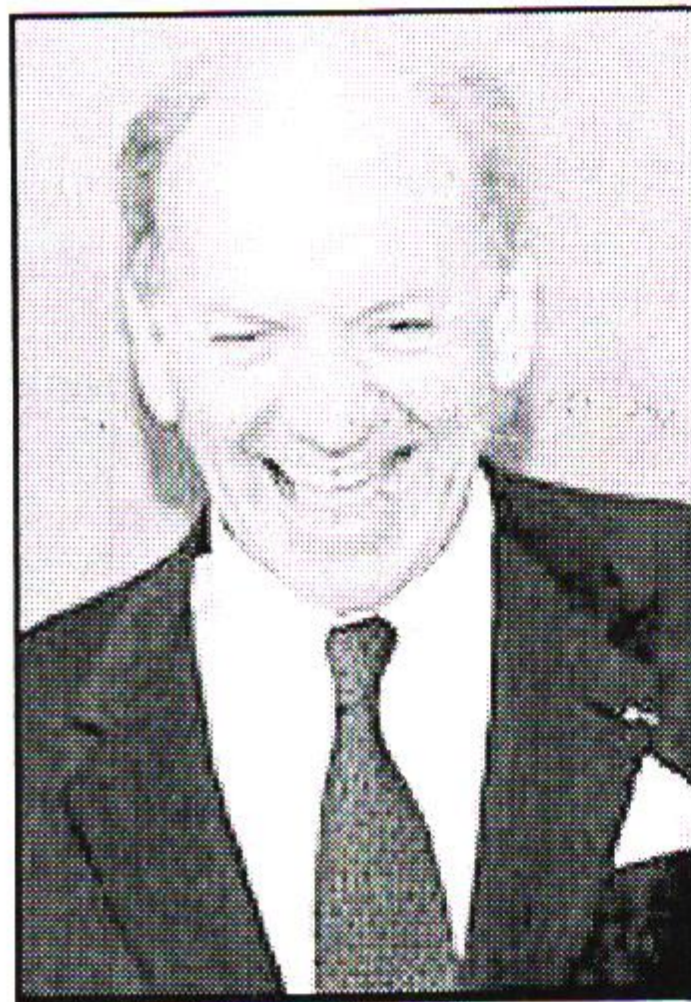
Unfortunately for them it was not. When people talk about a share owning democracy they are talking about a sham. Hundreds of thousands of people own shares here and there. They are all entitled to attend company AGMs, have their say and cast their vote based on the number of shares they have. All very fine you might think. But the reality is that almost all shares are concentrated in the hands of a very small number of individual and institutional shareholders who decide things behind the scenes. These people can - and usually do - outvote all the others who turn up to the AGMs even if they are numerically well outnumbered. You have one vote? Tough, they have millions in their pinstriped pockets - they win, you lose. That is the norm but something went very wrong at the May 2003 GSK AGM.

The big players in the City had been looking at GSK and

were worried. After all things were not as they had been in recent years for the big institutions and their beleaguered fund managers - profit returns were falling and bonuses were being cut. They were feeling the pressure and had to act to safeguard their own jobs - and GSK was a prime target. The board had been warned behind the scenes not to proceed with giving Mr. Garnier such a hugely improved deal payable if he was sacked and had already made clear that they would not support a pay increase for him of 100 percent! But the board, showing that great foresight and wisdom for which British capitalism is so renowned, went ahead with it anyway. So they did not expect to see large numbers of fund holders either abstaining or casting their vote against the deal, joining small shareholders and trade unionists who had been mobilising against the proposed package. The result was a groundbreaking 50.7 percent vote against the board.

compensation

But is this just a one-off unique case? Are most bosses properly paid, receiving fair compensation for their mighty labours? An examination of the Fat Cat List 2003 published in *The Independent* on May 20th reveals that most of these people seem to earn more in direct relationship to the poor performance of their companies. Top of the list is Sir Peter Bonfield, former head of - CWU members facing the sack please note - BT, who got a payoff of around £3 million having run up a compa-



Fat Cat supreme Jean-Pierre Garnier 'earned' a mere £3 million pounds last year whilst company share prices plummeted.

ny debt of £30 billion, seen share prices spiral down and presided over massive job losses. Well done, Sir Peter! Second in line is our old pal Sir Christopher Gent from Vodaphone who earned £3.78 million for leading the mobile phone company into one crisis after another. Apparently he gets the hump when people complain about how much he earns, poor man.

Indeed the rule seems to be that if you do well you make a mint and if you do badly you make even more - unlike laid-off workers who get chucked out with just a few weeks pay to show for all their work. In America things are even worse, these people not only get paid more but can expect staggering settlement terms should they get the sack, including for example, three years pay and/or having all your medical bills paid for the rest of your life according to the *Financial Times*.

The reality is that bosses believe that they should be very well paid because a) they want it and b) it proves they are very important people doing a very important and very indispensable job. Since capitalism requires

that people accept the principle that inequality and greed is the only way forward they are prepared to pay these salaries even if it affects their profits. But we know different. When a boss is brought in to help save a company they invariably do the following: attend dinners, sack staff, sell off assets, sack more staff, play golf, sack more staff... and that's it. They think that getting fabulous salaries will convince people that they are needed but the truth is that they are not. More and more workers should be asking - why am I being paid bugger all when these guys are rolling in it but add nothing to production?

This is just one step away from asking - can we run things better ourselves under workers control and management without the 'dead wood' of the bosses at the top? The answer is yes. Workers' control linked to a socialist plan of production geared towards the benefit of all not just a rich few, would remove the wasteful chaos of capitalism.

madness

For too long we have watched a system which perpetually suffers from crises of under or overproduction. A system which only produces what is considered to be profitable rather than what is actually needed. Replacing the madness of capitalism would remove the tremendous costs of maintaining this small but highly paid gang of fat cats and also release the tremendous resources available, reducing hours worked, getting rid of unemployment and tackling the shortages which hold society in the grip of poverty. The ongoing scandal of the corporation fat cats is not a one-off but a symptom of the underlying decay of capitalism and it is that which must be tackled. The only fat cats left should be of the four legged and one tailed variety. □

The Independent reveals that most of these people seem to earn more in direct relationship to the poor performance of their companies.

'Old Labour' alive and well in Wales

by Sion Corn

Labour in Wales gained an important working majority in the Welsh National Assembly following the May 1st elections. Plaid Cymru, the nationalists, were routed on the night, being pushed back to their old heartlands in North and West Wales. Even here they suffered setbacks, with the Plaid Cymru leader seeing a 15% drop in his vote in the Ynys Mon constituency.

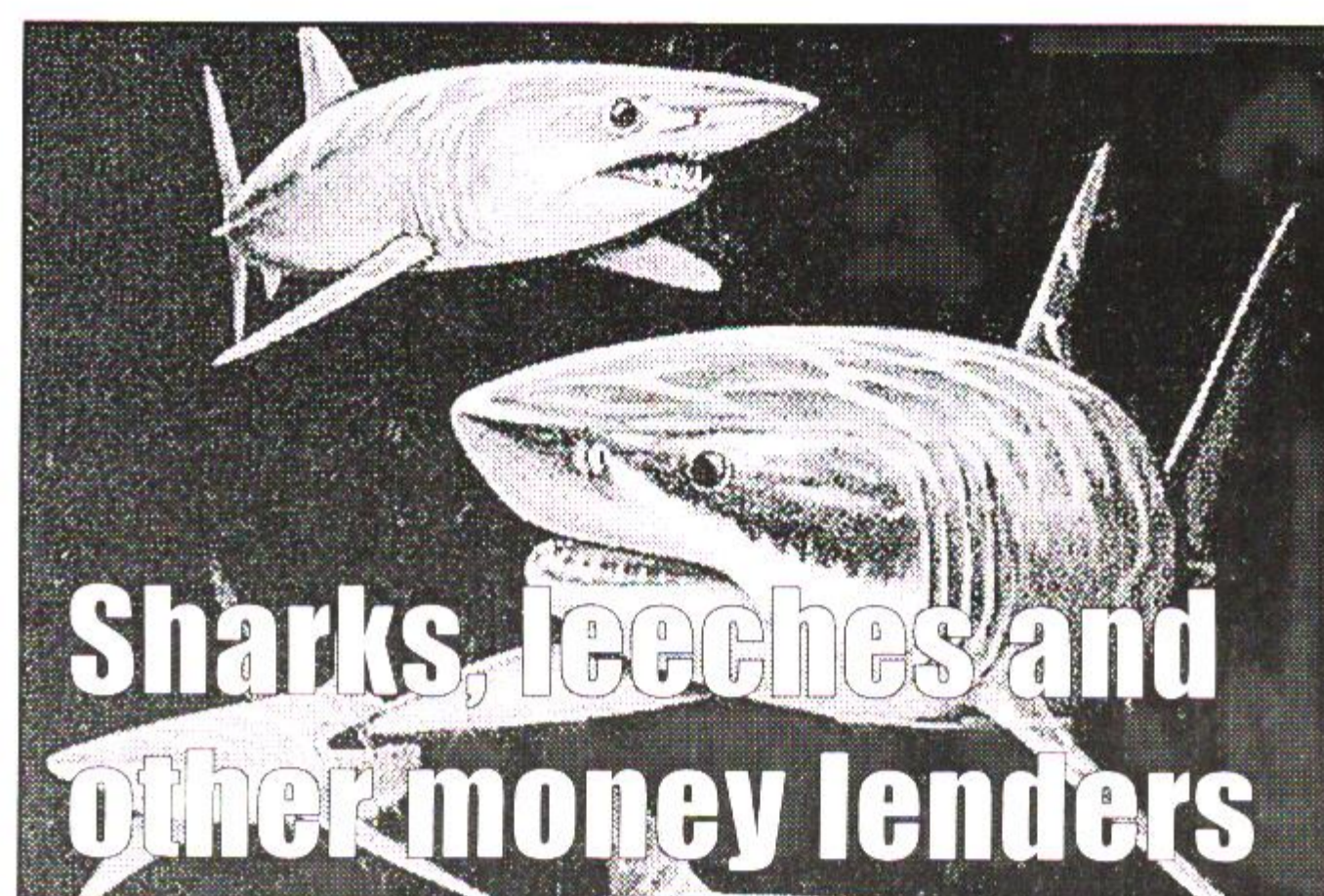
Labour went to the polls with a manifesto boosted in the last few weeks before voting with pledges to abolish prescription charges for all in Wales, free school breakfasts, no tuition fees, free access to leisure centres for senior citizens as well as opposing foundation hospitals. They stood on the basis of supporting health-care free at the point of use and a comprehensive state education system - "dinosaur" policies that Westminster would have us believe are outdated and highly unpopular with voters today!

Labour's juggernaut, as the BBC in Wales called it, started at 1.30am when it was announced that Islwyn had fallen to Labour on a 19% swing from the nationalists. This was followed by the Rhondda vote with its 20% swing to Labour. Llanelli was also won on a tight vote, despite Plaid Cymru fielding a supposedly popular candidate, with the victorious Labour candidate announcing at the count that they will bring back the socialism that the people of Llanelli want.

The only reason Labour does not have an overwhelming majority in the Assembly, rather than the very small one they now have, is because of the proportional voting system which prevented Labour collecting any seats on the top-up list system but let all manner of defeated Tories and Plaid Cymru people in through the back door. Labour also suffered from the general overall low vote in the assembly elections, which was a reflection of voter disillusionment with an expensive body armed with very limited powers even compared with the Scottish body.

This election has shown that even the limited reforms on offer from Welsh Labour, designed to try and show 'clear red water' between them and Westminster, were able to defeat the nationalists and pick up votes. A very different picture to that of the English council elections fiasco where voters showed no enthusiasm whatsoever for Blairism.

Socialist policies can win votes and gain seats - that is the message from Wales. Welsh Labour must now implement its programme and go further, linking up the struggle for a real defeat of Blairism, both in Wales and throughout the rest of Britain, and the adoption of a socialist programme and leadership for the whole Labour movement. Activists both in the unions and party ranks should welcome this victory but step up the fight for socialism.



The number of people struggling with unmanageable debt has risen by 47 percent in the last five years, according to the Citizens' Advice Bureau. An examination of the CAB's 900 new 'debt clients' in May found that they owed an average of 14 times their monthly income. Those using the CAB's services tend to be the poorest sections of the population, especially those on benefits, yet their average debt was £10,700 whilst their average monthly income was just £800. Capitalism is a very democratic system. It may not be keen on sharing the wealth but it is very keen on sharing the debt - even the poorest can get up their necks in credit. As many as a quarter of the CAB's debt clients are being treated for stress, anxiety or depression.

Around 3.5 million people in Britain do not have bank accounts. Never fear they too can share in the debt misery thanks to leeches like the Provident who have made a fortune over many years lending door-to-door to those refused credit by the banks. In recent years the Provy has been joined by an increasing number of companies who differ little from loan sharks. They tempt people in need with unsecured loans, sometimes just enough to do some shopping, but before you know it with interest rates between a hundred and a thousand percent, severe penalties and insurance premiums, these loans run into colossal debts. One couple cited by the CAB borrowed £1000 to carry out some home improvements, but just a year later found them-

selves £72,000 in debt, and in danger of losing their home! This money lending filth kept offering the couple - who the CAB point out had mental health problems - more cash, and each time they increased their loan, the sharks added big one off insurance premiums. After a year these insurance payments made up £44,000 of the outstanding £72,000.

The boom in the economy has been fuelled by this unprecedented spiralling of credit. According to government figures the level of personal debt - unsecured loans and mortgages - has doubled in the seven years to 2001. Consumer credit grew from £10.5 billion in 1980 to £140 billion in 2001. In the two years since that figure has grown still further. A decade ago the debt-income ratio was 90 percent. Today it stands at 107 percent. A small rise in interest rates, or unemployment will mean a catastrophe for thousands of families. Marx explained that credit takes the system beyond its limits, ie it is spending tomorrow's money today, when tomorrow comes that money can't be spent again and has to be paid back. The government has urged lenders to take a more responsible attitude to lending. But the only responsibility these leeches, be they the big banks or the loan sharks, have is to make money at our expense. That is why they exist. As the Financial times commented "it will be hard to stop lenders competing to give out easy credit when it makes them - and their shareholders - billions in profit every year."

The socialist case against euro entry

by Mick Brooks

The European single currency, the Euro, has already been up and running in twelve European Union countries for nearly 18 months. The question as to whether Britain should join is now one of the most important political decisions facing the Blair administration, and the people of this country.

The government is due to make an announcement on June 9 as to whether Britain has yet to meet their 'five economic tests' for entry. It is widely known that the five tests for economic convergence are really just a figleaf for a political decision, with plenty of scope for fudging them to come up with the 'right' result. At the time of writing all commentators are agreed that 'not ready yet' will be the word. But the issue won't go away. Big business is lobbying New Labour in favour of entry, saying that if Britain doesn't go in they will move production to the continent.

Socialist Appeal opposes Britain signing up to the Euro. There are two groups of opponents of entry. The first is against adopting the single currency because the Queen's head will no longer appear on the coin. Eurosceptics argue that adopting the Euro will be another step on the road to abandoning 'British' sovereignty to a European super-state. Socialists know better. We understand that in a capitalist economy we, the working class, have no sovereignty. Whoever is in government, we don't get to decide whether we'll have a job next year or whether our standard

of living will go up. These decisions are taken by the capitalist owners of the means of production, in response to market forces. Tory Eurosceptics have always been in favour of the rule of market forces - which actually make parliamentary sovereignty a sham.

Eurosceptics go on about an unelected European Central Bank. It's true it is unelected. When did you last cast a ballot for the ECB? But are they against it because it's unelected or because it's full of foreigners? Since 1997 interest rates have been set in Britain by the Monetary Policy Committee of the Bank of England, by a process very similar to that of the ECB. When did you last cast a ballot for the MPC? Gordon Brown gave up any pretence of democratic control of monetary policy as soon as he became Chancellor.

For the working class all bankers are 'foreigners' - they have the opposite interests and objectives from us. Of course the level of interest rates can make a difference

to an economy, especially when they get it wrong. And it is a problem that the ECB sets a single rate for Germany, which is in recession, and Ireland, which still shows signs of overheating, in a 'one size fits all' policy. But there is no evidence that a discretionary monetary policy can halt the fundamental processes of boom and bust rooted in a capitalist economy.

Austerity

The second group of opponents, rooted in the labour movement, believes that entry will involve the sacrifice of large swathes of the welfare state in forced austerity as the price of entry. This is the only serious reason for opposition. Bill Morris, General Secretary of the Transport and General Workers' Union, quoting the European Central Bank's Monthly Bulletin said: "They believe public health and long-term care systems should focus on providing core services for healthcare prevention while leaving individuals to provide for non-essential expenditure". In other words the ECB wants

privatisation of big chunks of our health service. Why should they have any say? *The Observer* article is headlined 'Price of entry will be our NHS'

There is a myth about a hard-faced Anglo-Saxon variant of capitalism, where they can only make money by grinding down the working class. Then there is supposed to be a nice European form of capitalism, 'social Europe', where they always consult the workers and protect them from the rigours of the market. Actually hard right neoliberals have taken charge of the institutions of the European Union. The ECB is one example of this. Another is clearly seen by the Growth and Stability Pact, a kind of corset for Euro member states. If a government fails to balance its budget and gets in to too much debt, it can be fined by the European Central Bank. This is undemocratic - at least you get to vote for the national government every four or five years. It is also futile. The fines will of course make it more difficult for the government to make ends meet.

This policy flows from another mistaken neoliberal attitude, namely that if governments get into deb that's their silly fault. There are two sorts of administration - thrifty Tory ones and spend-thrift social democrats. In fact governments of all stripes have to borrow when they are in economic difficulties. The reason Germany is in breach of the Growth and Stability Pact is because unemployment there is over 10.7% - four and a quarter million workers claiming benefit rather than paying in to the tax pot as employees.

What is the case for entry



in to the Euro? The first argument is about 'transaction costs'. Apparently about half of one per cent of European national income was sucked away by money changers, who are of course parasites. Moving to a single currency would enable us to dispense with their services.

Goods prices

More significantly it should bring prices down to the lowest level to be found within the EU. For years economists have been puzzled as to how identical cars (to take just one example) can cost thousands of pounds more in Britain than on the continent when we live in a common market - that is you can just go to where the cars are cheapest and buy them there. Some have concluded that the problem is that goods are denominated in different currencies. If everything is priced in Euros then they won't be able to get away with ripping us off. Well, it doesn't work. If you buy a Frankfurt edition of the *Financial Times* in Europe for instance, it is marked with different Euro prices for Portugal and Sweden. They continue to charge what the market will bear in different national markets. Monetary union hasn't led to price convergence.

The second argument is for investment stability. If a Japanese capitalist wants to invest in Britain, then they are taking enough risks already without worrying about how many pounds they'll get to the yen in twenty years when it's time to repatriate their money. Maybe they just won't bother. So they believe the answer is an internationally recognised single currency. It is true that inward investment into Britain as a proportion of European investment has collapsed since the launch of the Euro. There is no complete explanation for this. The Tories boasted that this country attracted so much investment

from abroad because of their iron heel on the workers' necks. When asked, the investors said it was because English was the only European language they understood.

A case in point is the Nissan plant in Tony Blair's constituency of Sedgefield. Management are threatening to relocate to the Eurozone, leaving 5,000 jobs behind, if we don't sign up. An anonymous commentator explained their angle to *The Observer*: "I know it sounds cynical, but it does Nissan no harm to talk about the virtues of the single currency, while trying to drum up grant aid as compensation if Britain fails to enter." Let's face it, Nissan management are playing mind games with us. As the article goes on to point out, 80% of the cost of producing a car in Sunderland is parts, which can be produced in the Eurozone anyway. The answer is surely for us to control the movement of capital by taking over the means of production, not relying on the goodwill of our enemy, the capitalist class.

"Cry for help"

The third argument for British entry is in the nature of a cry for help. Sterling has been massively overvalued for years. With British goods so expensive abroad, British industry has been in recession almost constantly for the past four years. Hundreds of thousands of jobs in sectors from textiles to steel have haemorrhaged from manufacturing over this period. Gordon Brown has met this disaster with stony silence, helped by the stupidity of the Tory opposition. Quite sim-

ply, the overvaluation of sterling has not been an issue between the political parties. But for some in the trade union movement it is the only issue and they have argued the case for entry as a means of devaluation and a basic protection for jobs.

That case has been undermined by the collapse of Sterling this year. Last year sterling got you 3 Deutsch Marks, now translated into 1.59 Euros, but now it's down to DM 2.72 (or 1.39 Euros). Back in 1992 the pound got you DM2.95. And it's due to fall further, not good news for those who like to holiday in Euroland. Plus, of course, manufacturers get less £s for every Euro they earn by selling abroad, so devaluation is not all bonus points.

Decline in industry

This devaluation ought to have got British manufacturing out of the hole it's in. It hasn't. British industry has been in relative decline against its main rivals for at least fifty years. CBI economist Doug Godden points to other recent factors. "The pound/euro exchange rate has had a fairly dramatic effect, but in the past 18 months the most important factor has been the slowdown in world demand."

The major indicator of the poor performance of British capitalists is the 'productivity gap' between us and our major rivals. The Treasury Budget Report (the 'Red Book') for 2002 comments, "By international standards the UK's productivity performance has historically been poor... the productivity gap between the UK and its main competitors is substantial... in terms of output per

hour, the gap against the US narrows slightly - to 25% - while the gap against France and Germany widens to 27% and 25%." So an American, German or French worker can bang out five widgets in the time it takes us to make four. Is that our fault?

Patricia Hewitt, Minister at the Department of Trade and Industry, blurted out in exasperation to the *Financial Times*: "When you look at the gap in productivity between Britain and the rest of the world, too often it is poor management of the production processes and poor management of people that accounts for that gap." So management are thick as planks, except when it comes to sitting round a table with themselves and negotiating bonuses.

Back to the Red Book. "By international standards, levels of innovation in the UK have historically been low... levels of UK private sector investment in research and development (R & D), a key indicator of successful innovation, are significantly below those achieved in many other advanced industrial countries." And, whatever the investment climate, year after year British capitalists have invested more abroad than they have at home. So the reasons for British lack of competitiveness are complex - but the problem can't be sorted by a quick fix of the currency.

British capitalism is a failure internationally. Its problems are deep rooted and structural. Entry in to to single currency will not provide a solution to relative decline. We have to understand that it is time to make the 'captains of industry' walk the plank. □

The answer is surely for us to control the movement of capital by taking over the means of production, not relying on the goodwill of our enemy, the capitalist class.

Stakeknife and The British State in Ireland - Collusion, Infiltration and Murder gangs

The so-called forces of law and order operated an agent at a high level of the Provisional IRA for years. Through that agent, Stakeknife, MI5 and the British state were aware of killings, bombings and the other activities of the Provos in advance.

by Phil Mitchinson

They chose whether or not to act on that information in accordance with their own needs, with little concern for any loss of life involved. Some operations were allowed to proceed unhindered while others were interfered with according to the needs of the British state at the time. This is indeed a remarkable revelation, particularly given the current so-called war on terror.

The identity of Stakeknife is still unclear, despite the repeated claims of the press that Alfredo Scappatici is the guilty man. Meanwhile the identity of some of the top agents working for the infamous Force Research Unit and colluding with the loyalist paramilitaries has been confirmed over recent months. The British government stands charged that its intelligence agencies connived at the murder of numerous Catholics and a prominent lawyer in Belfast, Pat Finucane, in order to protect a key loyalist agent, Brian Nelson. Now it faces claims that it did exactly the same on the Provisional IRA side of the house.

As we have long explained, the poison of sectarianism serves no-one's interests more than those of the British ruling class. The actions of paramilitary organisations have only served to intensify the sectarian divide created by British imperialism. In fact the British state not only nurtured that divide, but actually participated on both sides.

A high ranking official like Stakeknife would have protected British placed informers within the Provos while others would have been set up for arrest or assassination. This has led to claims that this agent was optimally positioned to encourage the 'peace' lobby within the Provo camp. The myth now being spread that Stakeknife was responsible for pushing the Provo leadership in the direction of the Good Friday Agreement is fundamentally flawed.

In reality the primary force driving the Provo leadership in that direction was the failure of their doomed policy of individual terrorism. Claims that it was all the work of a clever spy, an infiltrator, are reminiscent of the myth spread by supporters of the Communist parties around the world at the time of the fall of the Berlin Wall that Gorbachev was a CIA agent, and that he had (single-handedly) brought down Stalinism on the instructions of his US masters. Both are fairy tales.

Real Reasons

The real reason for the capitulation of the Provo leaders and the defeat of their policy was that after 25 years they were no closer to, in fact they were farther away than ever from, a united Ireland. The policy of individual terrorism had served to drive Protestants into the arms of Unionist, or even loyalist, politicians. It had served the interests of British imperial-



Pat Finucane, murdered Belfast lawyer

ism. They were able to use Ireland as a training ground for decades, with British workers unable to sympathise with the method of individual terrorism.

The struggle against terror will now be trotted out once more as their excuse for running agents in all these organisations. The policy of so-called 'armed struggle' - in reality individual terrorism a campaign of assassinations and bombings which never represented a serious challenge to British imperialism - failed. It could not have succeeded if it had continued for 250 years. Ordinary Irish workers were tired of the fighting, in truth even the participants themselves were tired of it. It seems from the latest revelations that the only people not tired of it were the agents of the British security forces.

The Stakeknife revelations will certainly deliver a massive blow to the Provisional IRA. Whatever his identity Stakeknife's intelligence is said to have played a role in some of Britain's major attacks on Irish repub-

licans in the latter half of the 'Troubles' - including the Loughgall ambush of 1987, where the SAS killed eight active members of the Provos, and the killing of three Provisional IRA members in Gibraltar in 1988.

The Stevens Inquiry has committed itself to further investigation of British tactics in Northern Ireland; and newspaper editorials demand 'a full public inquiry'. We know in advance the results of such inquiries, a few scapegoats will be arrested, some apologies will be made, and nothing fundamental will change. However given the revelations of Stevens the British establishment will not be keen on any more inquiries at the moment. It is here in the increasingly startling revelations of the Stevens' enquiry that we will in the end find the key to the latest developments.

Earlier versions of the Stevens Inquiry into collusion were intimidated by British military forces. In January 1990, the Stevens team launched a dawn raid to

arrest Brian Nelson, a British military agent who had infiltrated the loyalist Ulster Defence Association. When the Stevens team returned from the raid, they found their 'secure' investigation headquarters in flames.

The infamous Brian Nelson court case of the early 1990s was more an attempt to take the heat off the British military, rather than anything like a real investigation. By allowing Nelson to be arrested and tried for passing sensitive information to loyalists, British forces in Northern Ireland hoped that collusion would appear as the dodgy work of a handful of out-of-order British agents, rather than as an official British policy.

It isn't just the issue of collusion that has exploded. The events of Bloody Sunday, when 14 Catholics were killed by British paratroopers in Derry on 30 January 1972, became a live public debate in British political and military circles again in the 1990s. The ongoing Bloody Sunday Inquiry has forced British soldiers and commanders to reveal all about Bloody Sunday - and some in the military have responded by claiming that Downing Street, not the military, gave the ultimate orders to open fire in Derry.

There have been some astonishing admissions, not least the soldier who claimed in 1972 he was returning fire, had heard shots before firing himself, and had seen guns, now in 2003 claims he did not hear gunshots and he does not really know what happened.

Every day brings new revelations of the role played by British agencies in fostering and exacerbating sectarianism. In all the furore over the identity of their agent in the Provisional IRA, however, we must avoid falling into the media trap of 'Spot the Spy', and concentrate instead on the real issues here. In the first place the role of the British state in prolonging and deepening sectarian hatreds, sponsoring and actually carrying out the killing of individuals from both sides, and those not involved at all. The purpose of understanding these issues is to understand the nature of the state machine,

and the tactics necessary to defeat it, and the capitalist system it defends.

The forces of the state have long served to defend their system by infiltrating organisations to spy and to destabilise. The labour movement in Britain as everywhere is replete with stories of the actions of such characters. In Ireland however, where such infiltration methods have an equally long history, the consequences are somewhat more brutal.

Here we see the real role, the monstrous role of the state. While hypocritically massacring Iraqis in the name of a war on terrorism they were themselves involved in all sides of the 'military' struggle in Northern Ireland. They colluded in murder, they allowed bombings to go ahead, preferring to blow up people rather than their cover. Despite their crocodile tears - as ever just so much hypocrisy - they participated in and organised, kidnappings, beatings and torture.

Immoral

How on earth can these murky figures for so long shrouded in a cloak of secrecy justify their monstrous actions. These same people have the nerve to claim that they occupy the moral high ground, that we socialists are immoral. Everybody is against violence as a general rule, but almost everybody allows for exceptions. It is in relation to the exceptions that our differences emerge. Only an insane person is in favour of violence for violence's sake.

Loyalist politicians, right wingers and indeed many in the

media have argued that the result of the MI5 operation was to undermine the Provos and thus speed their abandonment of the "armed struggle" and thereby reduce the cost, both economic and in terms of political instability, of British imperialism's rule in the north. In other words, as the Jesuits used to say, the ends justify the means as far as these people are concerned.

This, in fact, is the view of the State itself. It is the moral basis of the involvement of the State in murders such as the murder of Pat Finucane and the readiness of the State's political managers to cover the murders up afterwards, if not become accessories after the fact.

At the heart of all discussion of the Stakeknife affair lies the question of whether we regard the machinery of the State as neutral, operating in accordance with laws passed by Parliament and answerable to government, or whether we see it as it really is, as the apparatus by which an unaccountable elite, the ruling class, maintains its rule over the rest of us.

What is law and order? What is the state? In the last analysis as Engels explained, the state in capitalist society can be defined as armed bodies of men in defence of private property. Over centuries those armed bodies of men have become more and more sophisticated. Law and Order shrouded in moral authority and the pomp and ceremony of Latin phrases and judges wigs is presented as the code by which we all live. At root, law, order and the armed bodies of men who enforce them, exist to defend the status

quo, to ensure the continuation of the capitalist system.

Consider the reaction of the State when citizens levy a charge of murder against its representatives. Contrast the moral justifications of Stakeknife by the ruling class with the proceedings of the Bloody Sunday inquiry. At hearings in London during the past month, the Inquiry has been listening to representatives of MI5 and Military Intelligence. The evidence has been circumscribed by a ruling of the tribunal which laid down that to damage the interests of the secret services would be to damage the national interest; therefore, no question which might damage MI5 or Military Intelligence could be allowed.

One MI5 witness told the Tribunal that his key statement was drawn up by MI5 and presented to him for signature. Another, testifying as to the credibility of the informer code-named 'Infection', volunteered that lawyers for the Tribunal invited her to read over the statements of other MI5 witnesses before making her own statement.

For the British state, or the state machine of any capitalist class for that matter, what is moral is what assists them to defend the status quo, their profits and privileges. What is immoral is whatever challenges their authority to rule. To defend their system they are willing to resort to the most atrocious actions.

If the press and therefore the rest of us are caught up in the search for Stakeknife's identity, the rest of the Stevens' inquiry revelations, the startling admissions over Bloody Sunday and the extent of collusion with the UDA and other loyalist forces can be glossed over. If this is their intention it appears to be working. We must make sure that the real story, the role of the state, its methods, its actions, and its aims are understood by everyone who wants to defeat their pernicious involvement in Ireland, everyone who wants to defeat the capitalist system which maintains the misery of sectarianism for its own ends. □



Sir John Stevens, head of the inquiry into British collusion

Executions and repression - a class point of view

The execution of three men who had hijacked a ferry and the harsh sentences handed out to 74 opponents of the Cuban regime in April has generated nearly universal condemnation at least on the part of the media and most governments. Socialist Appeal looks at the *real* issues behind the outcry.

by Alan Woods and Roberto Sarti

US State Department spokesman Richard Boucher called the recent execution of three men who hijacked a Cuban ferry an "outrage". Secretary of State Colin Powell demanded the Cuban authorities release the "prisoners of conscience". Before analysing the issues involved let us first look at the actual facts. The three individuals put to death had hijacked a passenger ferry in an attempt to reach the United States. This was the third attempted hijacking in Cuba in just two weeks. This situation is encouraged by a US law, which guarantees asylum to all Cubans who can make their way to the USA, regardless of the methods they use.

In the same period the Cuban government had begun rounding up dissidents, including members of the "Varela Project". The main demand of this group is for a referendum, which they see as part of a "gradual approach" towards the elimination of the present state which was born out of the 1959 revolution and with it the state-run economy. In reality they stand not for "democracy" but a return to capitalism. The 74 "dissidents" received sentences ranging from between six to twenty-eight years.

The formal charge against most of the defendants was that of "crimes against the independence or territorial integrity of the state." There was a lot of evidence that proved beyond any doubt that

most of these oppositionists had received large amounts of money from the US government through James Cason, the chief officer of the US Interests Section in Havana - the United States' de facto embassy. This fact has never been denied by Powell or any other US spokesperson. In fact all this information is easily available on US government web sites.

Promoting counter-revolution

In 2000, the US Agency for International Development (USAID) donated US\$ 670,000 to three Cuban organisations to help in the 'the publication abroad of the work of independent journalists from the island... and to distribute their writings within Cuba' (USAID report, Evaluation of the USAID Cuba Program, 2001).

By such means the American imperialists seek to promote the work of counter-revolutionary forces in Cuba and other countries. They constantly interfere in the internal affairs of other states when they do not like the policies they are carrying out. There is no doubt that the American embassy and the

CIA were actively involved in the attempts of the counter-revolutionaries to overthrow the government of Hugo Chavez in Venezuela.

The US State Department describes this kind of activity officially as "outreach." When it comes to anyone acting in this way to defend the interests of US imperialism against a foreign government then it is regarded as legitimate. However, if any foreign power attempts to apply the same methods against the USA it is a different story. Under the United States Code, similar "outreach" activities on the part of a foreign diplomat in the United States can result in criminal prosecution and a 10-year prison sentence. This applies to anyone "who agrees to operate within the United States subject to the direction or control of a foreign government or official" (Title 18, section 951 of the United States Code).

U.S. Prisons

The hypocrisy of the US government is even more striking when we look at the status of five Cubans who are currently serving long sentences (including two life sentences)

in U.S. federal prisons. The five were trying to stop the ultra-right exile Cuban terrorist groups in Miami from carrying out violent actions against Cuba. The USA claims to be involved in a global "war against terrorism". But the US government - through the CIA - has provided the main funding, training and arming of the ultra-right in alliance with the Cuban Miami mafia, which is behind many of the terrorist acts against the Cuban government for years. Therefore, instead of arresting the Cuban terrorists, the FBI targeted the five Cuban agents! No amount of hypocritical protests and moralising articles in the bourgeois media can hide these double standards of the US administration.

The hypocrisy of the US government becomes even more apparent when we see how Washington cries out against death penalties in Cuba, but conveniently "forgets" that every year hundreds of men and women are placed on death row in US prisons. Since 1976 the USA has executed over 700 people, 248 of them in Texas. Moreover, of those executed since 1973, some 95 people were later fully exonerated by the courts. That is, they were entirely innocent of the crimes for which they were executed. The US government has absolutely no right to complain that Cuba uses the death penalty when it has one of the worst records on earth. And George W. Bush, less

By such means the American imperialists seek to promote the work of counter-revolutionary forces in Cuba and other countries. They constantly interfere in the internal affairs of other states when they do not like the policies they are carrying out.

than anybody else, has the right to protest. When he was governor of Texas, which already accounted for over one-third of all the executions in the USA since 1976, he became notorious for his indiscriminate use of the death penalty and refusal to respond to pleas for clemency.

This is also a class question. The vast majority of the huge prison population in the USA and the vast majority of those who are put to death are poor people - mainly Blacks and Hispanics. The USA is the only country in the world except Somalia that refuses to sign the UN's Convention on the Rights of the Child. Why? Because in the USA even those who committed crimes when they were not yet 18 years old are put to death, while 18 states allow the execution of juveniles as young as 16. The Convention contains a clause that would make this illegal.

The US government has a long record of supporting attempted coups against the Cuban Government. They even tried to invade the country in 1961 through their mercenaries during the infamous Bay of Pigs episode. They have also imposed an embargo on the island virtually since the very beginning of the revolution.

The "Left" bends to the pressure of imperialism

It is not just Castro himself that worries the US bourgeoisie. What they fear most is the nature of the regime that exists in Cuba. They cannot tolerate the fact that at a mere 90 miles from their shores there is a country where capitalism has been abolished. The Cuban revolution was a point of reference for the oppressed and downtrodden masses of Latin America. That is why the US imperialists hate Cuba - not because of its record on human rights.

This is our starting point

when we analyse what is going on in Cuba. We have to base ourselves on a class position. The interests of the working class come first, both inside and outside Cuba. If we do not do this we risk being thrown off balance and falling into the trap of discussing abstract "democracy" or "justice" and not the real issues involved in this case. That is, unfortunately, the position of certain left-wing intellectuals in relation to this question.

"Friends" of Cuba

Attacks against the Cuban revolution from Washington and the bourgeois media in the USA and Europe are nothing new. On this occasion, however, criticism of the regime has come not only from the American and European bourgeoisie. The noisy chorus of denunciations has been joined by a

lot of old so-called "friends" of Cuba, such as the Nobel prize winner for literature Jose Saramago or the writer Eduardo Galeano. A heated debate on this question has also erupted within many left-wing parties in Europe and Latin America.

These "friends of Cuba" have forgotten the fundamentals. There is no such thing as absolute "democracy" or "justice" in the present capitalist society. Formal bourgeois democracy is only a fig leaf to conceal the dictatorship of a handful of wealthy bankers and corporate bandits. Lately they do not even bother to conceal the real state of affairs. Just look at the elections in all the capitalist countries, especially in the US, where everybody knows that George Bush was elected through a rigged vote.

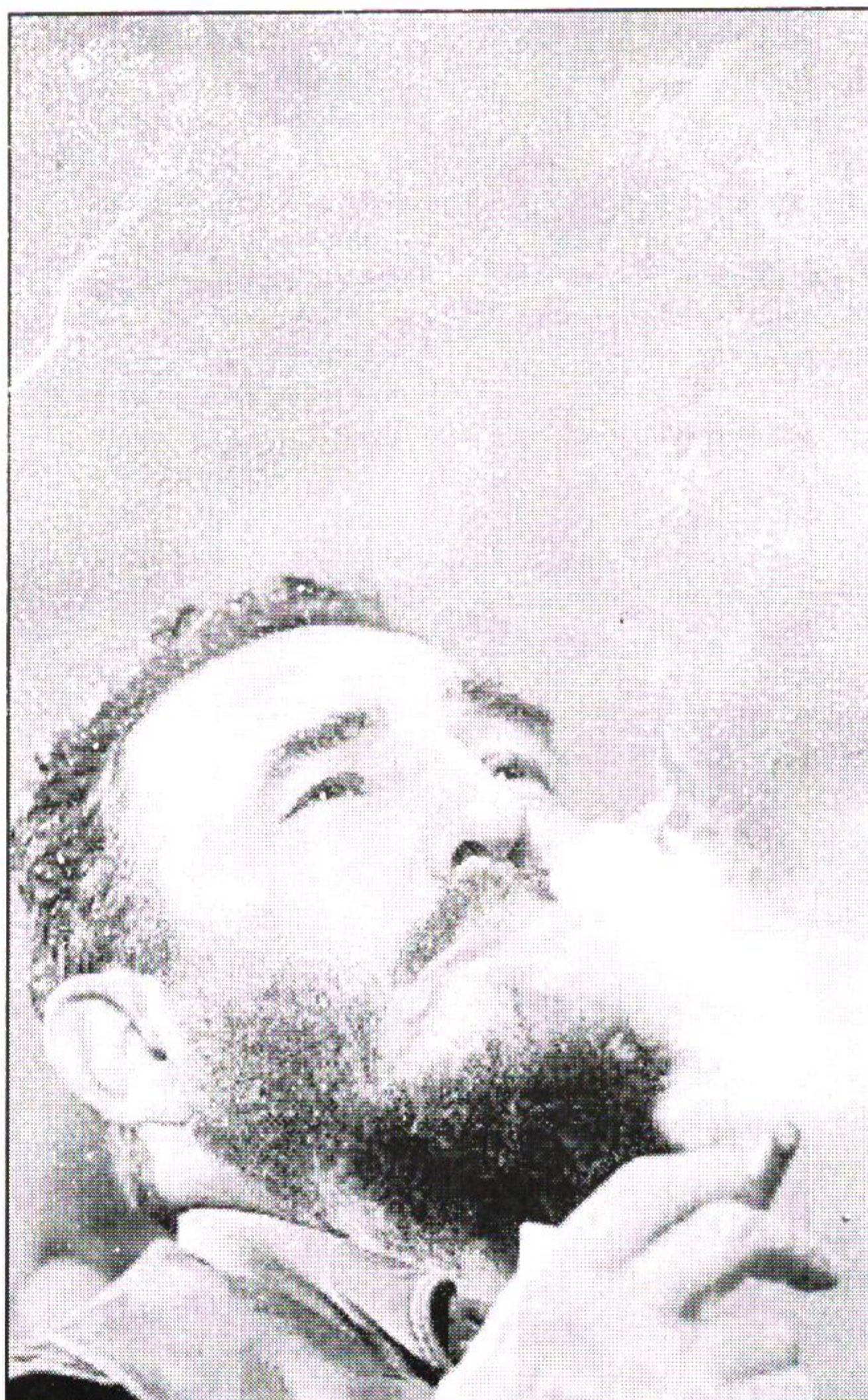
The same is true of the concept of "justice". The prin-

ciple that "all men are equal before the law" is valid so long as we ignore the size of their wallet! As on every other issue there is one law for the rich and another for the poor. The writer Anatole France long ago wrote of the majesty of the law that permits rich and poor alike to starve and sleep under bridges.

There are many things about the regime in Cuba with which we disagree. But one thing cannot be denied: the Cuban revolution expropriated the imperialists and the bourgeoisie and established the conditions for a huge improvement in health, education and the conditions of the masses. That is the "crime" for which the imperialists can never forgive Cuba. For over three decades they have used every kind of dirty method to destroy these gains and return Cuba to the tender mercies of the imperialists and capitalists. In this struggle there can be no neutrality. We must defend Cuba against the imperialist aggressors at all times.

Yes, the "friends of Cuba" will reply, but we are against violence. This melody is not new. Many on the reformist-pacifist Left in Europe often complain about the use of violence "in general". We also believe that the use of violence is regrettable. But we also have to take into account that we live in a world where every day the ruling class uses the most brutally violent methods. The war in Iraq speaks for itself. The only way to eradicate violence is to overthrow the system that produces it, i.e. the capitalist system with all the social differentiation and injustices that it generates. We are in favour of this. But as long as the US imperialists use violence to impose their objectives all over the world, small countries have the right to defend themselves as best they can.

The truth is always concrete, Hegel used to say. And

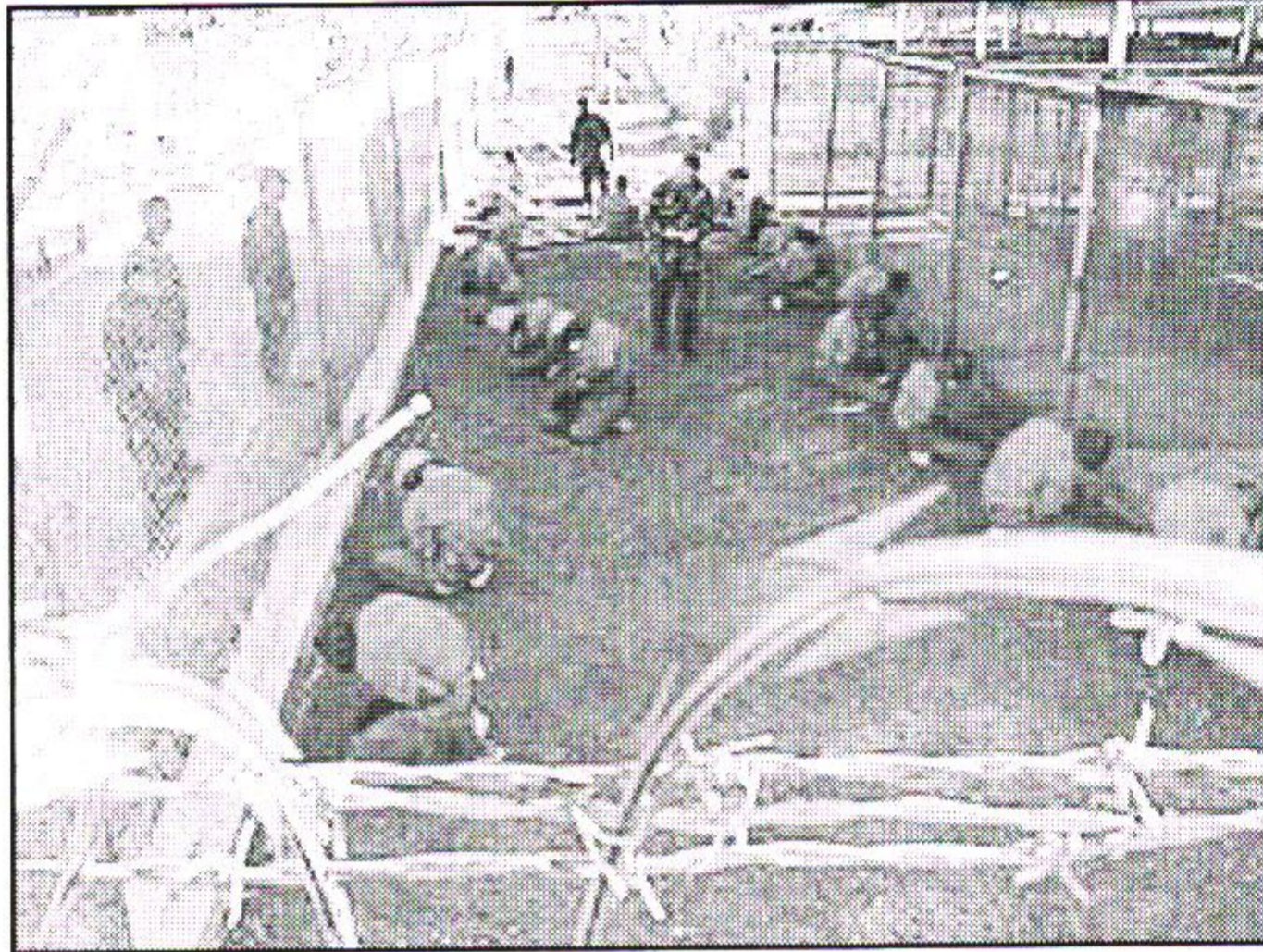


we must also be concrete. In this case the most powerful and ferocious capitalist country in the world, the USA, is in conflict with a small island, which has at least succeeded in breaking free of the stranglehold of imperialism and where the means of production have been nationalised. Since the collapse of the USSR, Cuba has been struggling desperately to survive, while its enemies have been striving to isolate and throttle it.

In this conflict the international working class cannot remain neutral. We stand with Cuba against US imperialism. We stand with a country that has eliminated illiteracy and where the health care system is by far the most advanced in the whole of Latin America. This was achieved thanks to the planning of the resources and the consequent abolition of the anarchy of the capitalist market. This acts as a beacon for the masses of Latin America and that is what the imperialists cannot tolerate.

Once we have drawn this class line that clearly separates the two camps, we can analyse the situation from the point of view of the working class, both in Cuba and internationally.

The struggle of US imperialism to undermine Cuba is being fought on many fronts. It has been helped by the internal difficulties that followed the cutting off of economic aid from the Soviet Union. After the collapse of the Stalinist regime in Russia, Cuba remained isolated and alone throughout the early 1990s with no support from the countries of the former Stalinist bloc. This led to a very difficult period for Cuba.



Between 1989 and 1993 gross domestic product fell by an astonishing 35 percent.

In an attempt to pull itself out of this crisis the Cuban government has introduced some "market economy" reforms since the mid-1990s. As a result 600 companies in Cuba now belong to foreign multinationals. The regime gave foreign companies the freedom to export capital and allowed them also to set up joint ventures in Cuba. The state monopoly of foreign trade was partly abolished and in a limited way individuals were allowed to set up businesses, mainly in the tourist industry. Now tourism represents the main source of income of the island.

Dual economy

In Cuba today there are elements of a dual economic system, with the state-run sector existing side by side with the capitalist element, and with two parallel currencies - the dollar and the Cuban peso. This has deepened the social inequalities and exposed Cuba more and more to the ups and downs of

the world economy. Over the last two years there has been a sharp fall in income from tourism. The price of sugar, another main Cuban export, has also fallen. Thus Cuba finds itself once again facing serious economic problems. According to several sources, unemployment now stands at 10 percent of the workforce, while a further 10 percent is classed as underemployed.

These increasing social differences represent a serious threat to the Cuban revolution. A layer of society is enriching itself on the basis of these "market" reforms, and it is among this layer of the "new rich" that imperialism can more easily find a basis of support for its plans for the restoration of capitalism in Cuba.

The difficult economic situation, and the crystallization of a layer of elements who have done well out of the partial introduction of private enterprise, poses big dangers for Cuba. The nascent Cuban bourgeoisie consists of all kinds of speculators and crooks who long for a return to the "good old days" before 1959, when Cuba was like one big casino and brothel run by US big business and the mafia. US imperialism is trying to base itself on this stratum, which it is financing and encouraging to engage in acts of sabotage and subversion.

The regime has attempted to halt this activity by resorting to harsh methods of repression. We have no sympathy

with these counter-revolutionary elements, nor do we support the hypocritical chorus of denunciations from the Right or the "Left".

We must place the recent events in context. There is not a single stable bourgeois regime in the whole of Latin America from Tierra del Fuego to the Rio Grande. The recent events show that the US imperialists are preparing to intervene against the revolution, either openly, as in Colombia, or, as in Venezuela, by conspiring with the internal counter-revolutionary forces.

In this situation, the existence of Cuba is a permanent source of irritation for Washington. They wish to remove this irritation as soon as possible. Fidel Castro, in answer to his critics, said: "We are now immersed in a battle against provocations that are trying to move us towards conflict and military aggression by the United States."

He undoubtedly has a point. In the aftermath of the criminal war of aggression against Iraq, the centre of gravity in the Bush administration has shifted sharply to the right. The reactionary imperialist clique around Rumsfeld and Cheney is now in complete control. These elements are looking around to see which country to attack next. Cuba is in the gravest danger. The severity with which the state has reacted is a reflection of this. Cuba has the right to defend itself against imperialism and counter-revolution, and this is not a children's game.

Nevertheless, the reality is the biggest danger to the Cuban revolution does not come from a handful of *gusanos* and criminals, but from within the regime itself. As long as Castro is alive, the pro-bourgeois elements will be kept in check. But just as in the USSR where a large section of the bureaucracy were prepared to move over to capitalism and loot the state in their own interests, so in Cuba, when Castro leaves the scene, there can be a

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move in the direction of capitalism headed by elements within the leadership itself. This constitutes the biggest danger to the revolution.

The need for an internationalist policy

In line with the new aggressive US attitude to the rest of the world, Bush has reiterated the US's hard-line policy towards Cuba. He has made plans to increase US government aid to Cuban "dissidents" and has placed Cuba on the list of so-called "rogue states". The victory of imperialism and the "market economy" would signify the complete destruction of all the social conquests of the revolution.

How can this threat be defeated? There is one way, and only one way: by introducing a regime of workers' democracy on the lines of Soviet Russia before the rise of Stalin. Leon Trotsky pointed out long ago that "socialism needs democracy like the human body needs oxygen". We are not talking about a bourgeois formal democracy, but a genuine democracy of the working people organised in soviets and based on Lenin's four conditions:

- 1) Free and democratic elections with right of recall.
- 2) No official to receive a wage higher than that of a skilled worker.
- 3) No standing army or police but the armed people.
- 4) Gradually, all the tasks of administration should be done by everyone in turn: when everyone is a bureaucrat in turn, nobody is a bureaucrat.

Despite everything, the overwhelming majority of the masses in Cuba still support the revolution. Only the democratic control and administration of the masses can root out the counter-revolution and the bureaucracy that is the soil on which the counter-revolution can grow. Let us not forget that it was the regime of bureaucratic



mismanagement and corruption that led the USSR to collapse and to capitalist counter-revolution in 1991. Let our slogan be "Back to Lenin!"

Genuine socialism cannot exist without the granting of basic democratic rights, such as freedom of expression. Marxists have never maintained that the one party monolithic system is a pillar of socialism. In Cuba it would be entirely possible to grant the freedom to organise to any group or party that accepted the nationalization of the means of production. All such tendencies should be allowed. This would not weaken but strengthen the revolution.

The counter-revolutionary forces in Cuba can be defeated. But this would demand the real involvement of the workers in the running of the economy and of the state. It would mean the introduction of genuine workers' democracy along the lines of what existed in the Soviet Union in the first few years after the 1917 revolution. It would involve the deepening of the social conquests of the revolution, with the elimination of privileges and bureaucracy.

The conquests of the revolution have not been forgotten by the masses. They only need to look to the rest of Latin America and the Caribbean to see what a return to capitalism would mean for ordinary working class Cubans. The prospect of returning to the status of a de facto US economic colony must be a very grim one for most Cubans. It would mean a return to the injustices of the past.

In the last analysis, the only way of successfully combating this counter-revolutionary offensive would be to extend the revolution internationally, beginning first with the rest of Latin America. The historical experience of the Soviet Union demonstrates that it is impossible to build socialism in only one country. Now the situation on the Latin American subcontinent is very favourable, as is shown by the recent revolutionary developments in Venezuela, the victory of Lula in Brazil, the movements in Bolivia, Ecuador, Colombia, and Argentina.

Unfortunately, instead of basing himself on the revolution in Latin America, Castro has relied on diplomatic

agreements and, at best, on some campaigns of international pressure against the embargo. But this is too limited. He is probably afraid of provoking US imperialism. But this policy will have the opposite results to those he intends. As long as the revolution remains locked within the narrow national confines of Cuba, it risks being strangled. That is what US imperialism wants to do. And the defeat of the Cuban revolution would be a blow against the revolution in all Latin America.

This is the only viable method of preserving the Cuban revolution, and propelling it forward. It seems that Castro is looking to the Chinese model. He would like to build a new kind of "mixed economy", but no system can survive for long in a halfway house situation, between capitalism and a planned economy. One will have to prevail over the other, sooner or later.

A full-blooded capitalist regime in Cuba would have the face of a ruthless dictatorship under the yoke of US imperialism. It must be resisted at all costs.

Barbarism is what imperialism is preparing for Cuba if it gets its hands on the island. What the American and British armies have created in Iraq in the recent war is an indication of what the future holds in stock for all those countries that fall under their domination. Cuba cannot survive without at least an all-Latin American revolution. There is no alternative: in the long run, either there will be the establishment of a genuine workers' state in Cuba, as a step towards a Socialist Federation of the Americas, or there will be a capitalist counter-revolution with all that this means for the working people of Cuba. □

See also The Cuban Revolution at the Crossroads By David Rey at www.marxist.com

French workers move into action against Raffarin

by Greg Oxley, in Paris

Two million workers in more than 120 different towns have taken to the streets to demonstrate against the right-wing government in France in a series of demonstrations. On the May 13 demonstration public sector workers were massively represented, but tens of thousands of private sector workers were also on the demonstrations. Public transport was paralysed. Approximately 250 schools were already on indefinite strike, and their number is increasing daily. The policy of axing public sector jobs, privatisations, cuts in public expenditure, wage restraint, and, in particular, the savage attack being made on pension rights, has led to a rapid escalation of anger and militancy among working people. May 19 saw another huge wave of mass demonstrations and a national strike in schools, universities, hospitals and many other branches of the public services. On Sunday, May 25, a further day of mass demonstrations is planned, involving both public and private sector workers against the pension reform.

The Raffarin government came to power last June. It was a victory "by default", only made possible because of massive abstentions and disillusionment with Lionel Jospin's Socialist-Communist government. The French economy has been slowing down since spring 2001, and is now on the brink of negative growth. Industrial production is falling. Investment is falling. Sackings and "downsizing" are a daily occurrence. Raffarin, a particularly cynical representative of the wealthy and powerful, is now insisting

that throughout the entire state sector, for every two retiring employees, only one will be replaced. These vicious attacks against workers' rights and living conditions have taken place against a background of steadily rising unemployment and a tangible increase in the desperation and poverty of a growing section of the population. At the same time as the present government attacks workers and the poorest sections of society, it has made lavish tax concessions and financial handouts to the rich. The pension reform, if it goes ahead, will mean losses of up to 60% in pensions, a shortfall which it will only be possible to significantly reduce by postponing the retirement age by anything up to 8 or 9 years. As things stand, real pension levels have been steadily falling over the last 10 years, as a result of a previous "reform", carried out by the right-wing Balladur government in 1993.

The demonstrations on May 13 were a magnificent show of the strength and determination of workers and youth throughout France. In Paris, where around 400,000 marchers pushed their way through the boulevards from Place de la République, across the eastern sector and on to Denfert-Rochereau, it seemed as if the demonstration would never end.

For a general strike

The first demonstrators were already gathering at 8 o'clock in the morning, and the march, which got underway at 11 o'clock, was still moving through the streets of the south-eastern arrondissements at 8 o'clock in the evening. The most common slogan was the call for a general strike of all public and private sector workers. A few days before, teachers meeting in a labour hall drowned the voices of the speakers on the platform by chanting

"General strike! General strike!" The mood was a mixture of deep-seated anger and exuberance. "Juppé, we got you! Raffarin, we'll get you too!" was heard all along the march. This was in reference to the defeat of the Juppé government by the general strike of public sector transport workers in 1995.

The Juppé government failed to impose a pension reform in the face of massive resistance on the part of the workers. In 1997, Président Jacques Chirac, seeing the political tide was turning against the right, dissolved the National Assembly before its mandate expired, but this did not save the Juppé government, which was defeated in the elections. Clearly, these events have left an indelible mark on the consciousness of trade union activists and of wide layers of the population as a whole.

CFDT leaders

The situation has changed since May 13, and the anger which was shown on that day against the government is now also directed against the leadership of one of the biggest trade union confederations, the CFDT. This confederation is under the control of right-wing bureaucrats who are completely divorced from the concerns of ordinary workers. The General Secretary of the CFDT is François Chérèque, a mealy-mouthed and smug representative of all that is unworthy of the labour movement in its top circles of the trade union organisations. Chérèque was "dubbed" as her successor by the former CFDT General Secretary, Nicole Notat, who,



incidentally, was a candidate for a ministry in the present right-wing government.

Immediately after the demonstration of the 13 May, Chérèque was in discussions with the government, trying to get a few minor concessions to cover what was to be one of the most blatant betrayals of rank-and-file interests in recent trade union history. On Thursday, he announced to the press that he was in favour of the government policy on pensions, and would not be supporting any further action against the reform. This was a stab in the back for CFDT members and supporters under threat from the reform, and also for the entire labour movement, since it was clearly an attempt to break trade union unity and strengthen the

hand of the government. This scandalous behaviour brings to mind that of Notat back in 1995, when she gave her support to the infamous "Juppé plan". Already, the metalworkers federation of the CFDT, together with those federations which organise workers in education and in the transport sector, have dissociated themselves from the confederation leadership. In the SGEN-CFDT (teachers and educational staff) opposition to Chérèque took the form of a call for a general strike of the entire education system. Bitter protests from the ranks of the CFDT have been pouring into the confederation headquarters since Thursday, and tens of thousands of CFDT workers are expected to be on the demonstrations planned for

this coming week.

The CGT and FO confederations have been generally more responsive to pressure from below, but what is clearly lacking is a bold call for a total general strike, starting with a full 24-hour stoppage, of all workers in both the public and the private sectors. Bernard Thibault, General Secretary of the CGT, interviewed on television about the possibility of a general strike, was typically ambiguous. He would go no further than saying that "if, after the 25th, the government has still not responded, I would not exclude any particular form of action".

Clearly, this is "leading" from behind, at a time when tens of thousands of workers have already been on strike, and many of

them for over three weeks. These workers cannot be expected to carry out this struggle in isolation. A seriously organised general strike is necessary, backed up by a massive campaign in schools and workplaces to explain to even the most passive workers the extreme gravity of the measures being pushed through by the Raffarin government. Nothing can function without the consent of the working people. A mass general strike of this character would deal a serious blow to the government, and, in particular, it would demonstrate to the working people as a whole the enormous power they possess once they act decisively as a class in defence of their own vital interests. □

Morocco - US imperialism brings back the spectre of al-Qaeda

by Roberto Sarti

On Saturday forty-one people were killed and many more were injured in Casablanca, Morocco, in a terrorist attack which came only four days after the synchronised suicide bombings on expatriate residences in the Saudi capital, Riyadh.

It was a well organized attack. Five suicide bombings in 30 minutes rocked Casablanca hitting several targets, including a Spanish club and restaurant, a Jewish community centre, the Belgian Consulate and an international hotel.

This striking event, and the other recent attacks, are clear indications that the so-called "war on terror" is far from finished with the fall of Saddam Hussein. The war on Iraq was waged, supposedly in order to "liberate" the world from al-Qaeda. The fact that al-Qaeda and the Baath regime in Iraq were fierce enemies seems to have no importance for the American administration.

So far, in just one week more than seventy people have been killed in bomb attacks. And that doesn't include the almost daily suicide bombings in Israel. The picture is far worse now than before the Iraq war. "Is anywhere in the world still safe?" has been a common headline in the newspapers over the last few days.

"The village green is probably still a safe place for a game of cricket (as long as you keep your eyes open) but don't stray beyond the boundary or you might get blown to pieces. That's how it feels, anyway, as the number of dangerous places seems to escalate by the day." (The Independent, May 18, 2003)

Bush's policy has brought more insecurity to the western world, especially amongst the middle class. This is no accident. We explained that far from solving the problems the US-UK intervention was going to further aggravate them. The sight of an imperialist invader on an Arab country's soil is provoking a lot of anger throughout the whole of the Middle East and the Maghreb.

Morocco has always been one of the closest allies of the West in the region, in spite of the clearly anti-imperialist feelings of its people, especially of the youth. One has to add to this the worsening living conditions of the masses over the last two decades. No wonder then that hundreds of unemployed youth and students, without any clear alternative being offered to them - on the part of the labour movement, end up by channelling their rage against imperialism in active support for the fundamentalist

terrorist organisations, such as al-Qaeda.

These methods, however, will not undermine these rotten regimes, quite the contrary. The King of Morocco will exploit these bombings to his own advantage and use them as a pretext for introducing a clamp-down on left-wing organisations and on democratic rights. Al-Qaeda was a network created by the CIA, and even though it has now turned on its previous master, nonetheless, by using the methods of individual terrorism it still helps the American government by playing into its hands and providing it with the excuse to justify all its reactionary measures, both abroad and at home.

The Moroccan workers have a tradition of struggle. They have their trade union organisations. What is lacking is a genuine Marxist leadership of the labour movement. If such a leadership existed many of these youth could be educated to participate actively in the struggle for the socialist transformation of society, and not to waste their energies in futile and reactionary acts of terrorism. This is really the only way of effectively fighting imperialism and its local Moroccan puppets. □

The end of social peace in Austria

The working class is entering the arena

On April 23 the National Executive of the ÖGB, the umbrella organisation of 13 trade unions (the equivalent of the British TUC), took a historic step in its unanimous decision to call for strike action.

by Emanuel Tomaseli in Austria

This comes after five decades of class-collaboration and so-called "consensus" democracy.

In the early elections of November 2002, the Popular Party (the Austrian equivalent of the Conservative party) achieved a stunning victory, catapulting itself from third place to number one. This was the first time since 1966 that the conservatives had outstripped the Social Democratic party.

With this election, victory Chancellor Wolfgang Schüssel opened an historic gate for his party and his class. He won a huge authority among his own party, which historically had always been divided into different organised groupings, in which the small shopkeepers and farmers were the most influential.

During the process of establishing a new government it also became clear that the representatives of the big capitalist associations were putting all their hopes in the will of Wolfgang Schüssel, who finally decided to form another government with the unstable but aggressive anti-working class party, the FPÖ.

In April, when public interest was concentrated on the imperialist aggression against Iraq, the government came up with their most vicious attacks on the living standards of the workers. In order to avoid public debate the government has been trying to push through parliament a very long and detailed 800-page document, which contains 91 different laws, all designed to

put the burden of the capitalist crisis onto the shoulders of our class.

Liberal commentators are particularly shocked at the dismantling of parliamentary procedure and the authoritarian style of government of the Popular Party leaders, but at this moment the most pressing question for the working class is the vicious content of the attacks.

Counter reforms

The core of the counter-reforms affects the pension system. The measures taken include raising the retirement age by three years to the age of 65 for men and 60 for women, and cuts in pensions by up to 45 per cent(!), which simply means poverty for working class people. Other so-called reforms affect the state education system (which comes after earlier attacks on education), the introduction of generalised fees for any kind of medical treatment (20% of the costs of treatment will have to be paid by the patient) and at the same time they want us to pay more national insurance contributions.

Furthermore the plans include the selling off and downsizing of all remaining public industries and services. The railways would be broken up into no less than 20 different companies. The plan for the railways also involves the transfer of all workers to one company which would officially employ them and then they would be "leased back" to the different 20 companies. This, of course, would take place

after one third of the present workforce (15,000 workers) are laid off.

Also the postal services are going to be downsized and sold off to an international monopoly. The remaining public stakes in the metal industry (Vöest-Alpine and Böhler-Uddeholm) and smaller state-run companies are also to be downsized and sold off. Their plans are obviously to break the back of the Austrian labour movement.

Tax cuts for business

At the same time as the government is attacking the workers, it has announced tax cuts for big business and the purchase of 18 Euro-fighter war planes designed for international aggressions.

The trade unions have mobilised the main resistance around the question of the cuts in pensions. On May 6, Austria saw the first generalised strike movement since October 1950. All in all strike action involved around one million workers. The strike was opened up by the printers, who stopped the production of all newspapers (except for one regional paper). The railway workers stopped the movement of goods for 12 hours. Public transport in all the major cities was halted in the early hours of the day. The high school teachers did not give lessons but organised workplace assemblies. The

hospital and police services, as well as other public services, were limited. In many factories (320 in the metal industry alone) the workers stopped work from between 2 and 8 hours and organised assemblies or went out to organise street blockades. In the morning the streets leading to the main cities (Vienna, Salzburg, Klagenfurt...) were blocked by trade unionists.

The next step in escalating the movement is a national demonstration, with several hundreds of thousands of demonstrators, is due to be held in Vienna on, Tuesday May 13.

As the "sleeping colossus" of the ÖGB is starting to wake up, things are starting to get turbulent in this "charming Alpine republic", and it is not yet clear how things are going to develop over the coming period. The uncertainty of the situation is even affecting the trade unions. The top leaders of the unions are not actually opposed to the general line of these so-called "reforms". What has angered them is the fact that they were not consulted first by the government. This is how things were done over the last fifty years. But now things have changed. The



Pfingstseminar
von 6. bis 9. Juni 2003
im Europacamp am Attersee

old cosy relationship is no longer possible.

So officially the aim of the strike is to postpone the reform until September and then have a "properly negotiated reform which is acceptable to all forces in society". This slogan is clearly designed to leave a way out for the trade union leaders, and allow them to call off the mobilisations and reach an agreement with the government as soon as possible.

However, things are not going to be so easy. The fact that the self-confident and "visionary" Wolfgang Schüssel is not willing to have any discussions with the trade unions, and is not prepared to let his plans be delayed by the "Proleten" [the workers], adds a symbolic note to this conflict. It is not just the pension system that is at stake, but the whole political system of so-called "social partnership" that is being broken up so as to facilitate the so-called "modernisation" of Austria.

The trade union bureaucracy, this servant of two masters, is now forced to mobilise the working class as their feeding troughs are going to be hanged higher. At the same time they are quite frightened by the bourgeoisie, but they are even more frightened by the workers themselves.

Show of strength

To any worker who took part in the strike on May 6, it was abundantly clear that that show of strength was not enough to make the government announce their retreat. The actions were mostly limited locally and the unions tried to avoid the coming together of the striking workers into bigger meetings. Many shop stewards reported that during the meetings at their workplaces much more radical positions were being put forward by the workers at rank and file level, such as sabotage action and a general strike.

In fact, the mood on the shop-floor is one of anger and hatred against the government, which many of the workers had actually voted for only some months earlier. Where there was a channel to express this frustra-

tion, it turned into militant and bold actions on the part of the workers. In Vienna 5000 nurses took to the streets, and they did

The trade union bureaucracy, this servant of two masters, is now forced to mobilise the working class as their feeding troughs are going to be hanged higher.

it with an exuberance that this city has not seen for many years. In one factory that belongs to a Popular Party MP, the workers locked their boss out and had the best day they have ever had on the shop-floor!

Even now, in the early days of this developing conflict, the willingness to go further is clear in many workplaces. It seems that several workplace meetings took the decision to go on strike. Then the workers phoned the trade union offices for help, but the reply they got was that their strike was "unnecessary" and "illegal".

In those factories where the workers have already suffered downsizing, with the help of the trade unions (especially in the formerly state-owned steel mills), the mood of the workers was often one of wait and see. Clearly they have already had an experience of these trade union leaders and they do not want to be part of the next defeat.

But even here the workers instinctively know what to do. In one factory meeting at Voest-Alpine in Linz, when the microphone was given to the workers to speak, one worker raised the demand for a general strike, but the microphone was immediately taken away from him and handed back to the platform.

On the other hand, in those factories where the workers have not suffered any such defeats in the past the mood is an enthusiastic one.

Thus the national demonstration will be another huge show of strength. The most likely thing is that we will see these mobilisations continue until June 4, the day the law is scheduled to be voted through parliament. In the build up to that date further strikes are going to be held. The "strategy of escalation" which the trade union leaders have raised

is still a secret to the workers. One idea which has been raised is that the next wave of strikes is going to be organised exclusively

against those companies that belong to government ministers, MPs and other government cronies. However, so long as the government can feel sure that these mobilisations will be brought to an end by the trade union leaders once the law is passed in parliament, the bourgeoisie can feel confident that it can go ahead undisturbed.

Mass resistance

However it is still early days and nothing has been decided, as we are in the middle of a battle between living forces, and it is not clear at this moment which scenario is going to be open up. This mass resistance against these "reforms" is causing big problems inside the FPÖ, the weaker of the two parties that make up the coalition government.

The president of the Republic is calling for a "round table" because he fears social upheaval. This is also mainly the position of the Social Democratic leaders. The most important thing is that the trade union leaders themselves do not seem to be sure and united among themselves on the question of how they should proceed from here.

Whichever way this battle finally ends, what is clear is that the dam has been burst. In times of mobilisation the leadership of the organisations of the working class are put to the test and already now it is clear that the days of long standing trade union leaders, including the chairman of the ÖGB himself, are numbered.

What is clear is that fresh new layers will come to the fore in the trade unions. More militant shop-stewards will be voted onto the committees in the workplaces. In the end, the so-called

"compromise" that the union leaders are hoping for, in essence, will be fundamentally no different from what is being proposed now: a raising of the age of retirement and a lowering of pensions.

But what the workers want is completely different. They are not fighting to simply have the signature of the chairman of the ÖGB on the government's proposals. They want and need a real victory as they are being squeezed daily in the workplaces in front of their computers or at their machines. They need to defend the present age of retirement, as after years of work they are simply exhausted.

Even now we are seeing this kind of rank and file militancy developing. On May 7, the postal workers in Salzburg fought an unofficial strike against job cuts. The shop-steward who organised this action is now being victimised and harassed by the public prosecutor. And the union is backing the state authorities and management! Pressure from below is beginning to have an effect also. There is the example of the leader of the union of high-school teachers who resigned last week after he had come under severe and long-lasting criticism of his compromising position.

Fundamental change

As we can see from all these developments, a fundamental change has taken place in Austrian society. Austria has finally entered the arena of the class struggle - and this is good news for all those who have maintained that compromise is no longer possible, and that the gains of the working class can only be defended through militant action. Two things are necessary now, the calling of general strike on the one hand, and a campaign for the democratisation of the organisations of the working class on the other. These are the main issues that we, the Marxists of "Der Funke", are putting forward as the most elementary preconditions for a working class victory. □

UN rubber stamps US-UK occupation of Iraq

by Fred Weston

Two conferences are taking place today in London. They are not party conferences or gatherings of trade unions. No, these conferences are of a different type. One is being held at the Novotel hotel in Hammersmith, in West London. A similar event is taking place in Washington with around 1800 companies attending. Another is planned to be held in Kuwait.

The organisers of the Hammersmith conference are none other than the giant US construction firm, Bechtel. This is the company that has received the biggest contract for the rebuilding of Iraq, worth up to \$680 million. There has been a widespread controversy about this.

Bechtel has close links with the Bush administration. The vice-president of Bechtel, Jack Sheehan, is on the Pentagon's defence policy board. Its chairman is on Bush's export council. The company has made very large donations to Republican Party funds. Now it is getting its "payback".

Bechtel's record

Its record in "helping" developing countries is also not of the best, let us say. One example is what it did in Bolivia where it was involved in the privatisation of the country's water supply. The first thing it did was to increase prices by 35%. This led to massive popular unrest and street demonstrations, where several people were killed by the Bolivian security forces that opened fire on the demonstrators. Bechtel was forced to pull out by these protests, but it is still demanding \$25 million from this

impoverished country in order to make up for its "losses". We can imagine what they will do to the Iraqi people, once their "rebuilding" starts.

However, Bechtel is not the only US company to have been awarded big contracts. In fact all six companies on the USAid shortlist for such contracts are American. The USAid is a US government department that deals in the question of "international development".

This decision understandably had raised some eyebrows among British companies. After the war in Kosovo British companies got nothing. They had hoped that this time they would get a share of the loot as Britain

had provided a large amount of soldiers and weaponry for the war in Iraq. Surely they are entitled to some reward? Thus in an attempt to appease the British capitalists, Bechtel is now in London offering subcontracts to British companies for some of the work it has to do in Iraq.

The first contracts to be handed out are said to be worth \$1.1 billion, but at the end of the day they could mount up to \$100 billion. So the US companies can obviously afford to throw some of the scraps to their British lapdogs, while keeping the bulk of the loot for themselves. And they are indeed scraps. One person attending the Bechtel conference has said

that the value of the subcontracts on offer to British companies may not be more than half a million dollars. That is chicken feed compared to the billions that can be made.

So Blair cannot even claim to represent the interests of British companies. He has committed large numbers of men and money to the recent war in Iraq but all the profits will go to US companies. He has indeed proved to be a very loyal poodle of Bush!

Of course, while the British get at least some of the crumbs from the banquet table of the Americans, no such conferences are being organised in Paris, Berlin, not to mention Moscow. They can forget it! Winner takes all, as the saying goes.

The other conference being held today in London has been organised by Trade Partners UK. USAid representatives will be there to give advice to the 250 or so British companies attending the conference on how to win the subcontracts.

UN resolution 1483

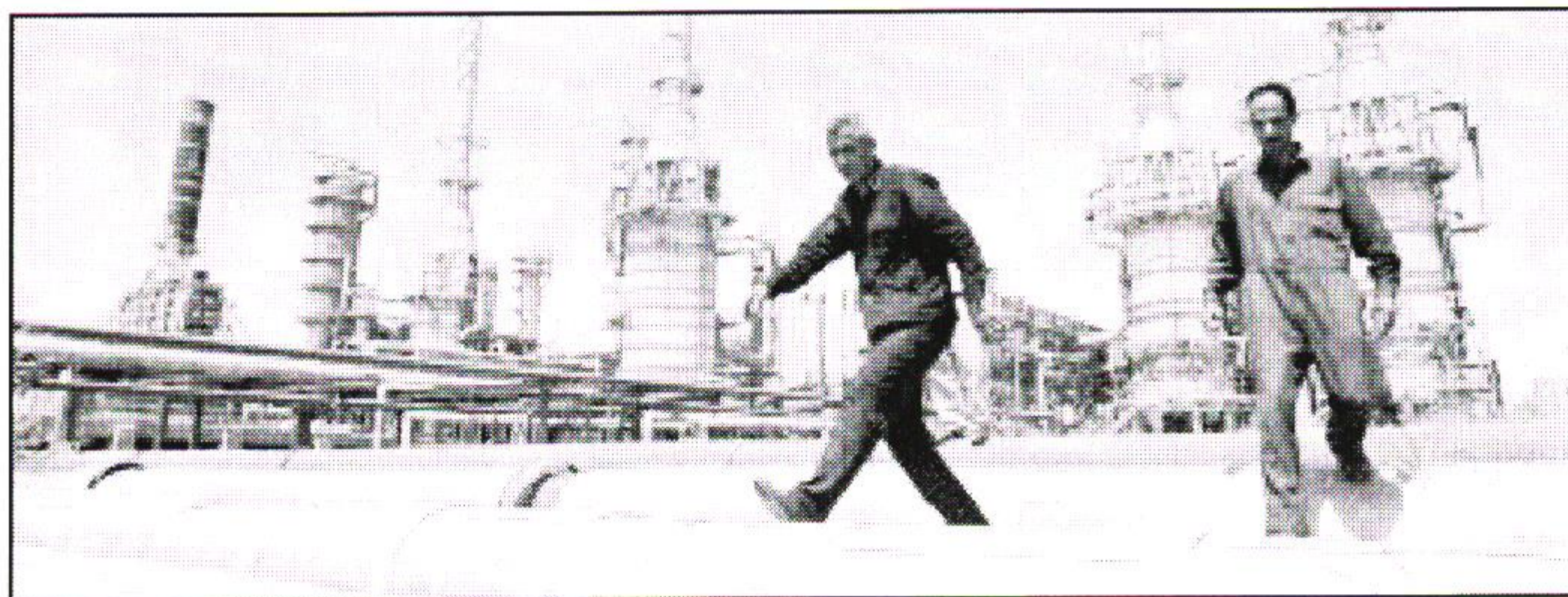
All this wheeling and dealing is going on just as the UN has declared legal the occupation of Iraq by US and British troops. It is no coincidence. Yesterday UN resolution 1483 was voted by all the Security Council members, bar Syria who did not take its seat in protest.

The resolution ends sanctions against Iraq. The resolution is supposedly a "compromise". Apparently it allows for some UN participation in the rebuilding of Iraq. In reality it is a mere rubber stamp on what is a de facto US colony.

According to the British



Sergio Vieira



Guardian (May 23, 2003), "The resolution gives the UN a stronger role in establishing a democratic government than initially envisioned..." All this wishful thinking is based on the fact that the resolution leaves room for a "special representative" of the UN in Iraq. Of course, this representative would work "in cooperation" with the US and British occupying powers.

The favourite to take up this position is Sergio Vieira de Mello, who is currently the UN's High Commissioner for Human Rights. He is also the US favourite for the job, so we can rest assured that he will be watching every move of the Americans in Iraq! If he is their favourite for the job, this means he will not raise any embarrassing questions, but will loyally support anything the Americans want.

But the essence of the UN resolution is not about a UN role in Iraq. No, the resolution grants the United States and Britain wide-ranging powers in the running of Iraq. And most importantly the resolution, as of yesterday, handed over legal control of the oil reserves in Iraq from the UN to the US and Britain. From now on the two occupying powers will have full control of Iraq's oil and will be able to export it. It is expected that once the work on expanding the Iraqi oil industry is completed Iraq could be exporting about \$22 billion worth of oil a year.

For how long is this situation to last? "...until an internationally recognised, representative government is established". As no one seriously expects Iraq to have its own government before the begin-

ning of next year, and some speculate that it may even be up to two years before this happens, yesterday's resolution transforms Iraq into a de facto colony, at least for the next period.

De facto colony

So there we have it: Iraq now "legally" belongs to the US and Britain. The UN Security Council, in particular, France, Germany and Russia, had made such a noise about their "opposition" to the war, and now they bow down before the might of US imperialism. All they are doing is accepting the reality of the situation. They cannot stop US imperialism. There is no other power in the world that could have stopped the US in Iraq. The French and German governments just hope that, at least some of the contracts they had signed with the previous regime of Saddam Hussein, will be respected. But even that is highly unlikely. So they have bowed down before the mighty US without even as much as a thankyou!

Thus they have blatantly ignored their own rules, which up until recently they were shouting so much about. They had stated that until the UN weapons inspectors were allowed back in to verify if there were any weapons of mass destruction the sanctions could not be lifted. This of course was so much hypocrisy as it was merely a manoeuvre against US imperialism. They all know that these weapons most likely do not exist and will never be found. Now they have dropped even this little

excuse.

This latest resolution not only ignores the position the majority of the Security Council had held up until recently, it also contradicts parts of the 1949 Geneva Convention on the duties of occupying powers. According to the Convention occupying powers do not have the legal right to create a new permanent government. Neither are they allowed to hand out long-term contracts, such as those for the extraction of oil that are presently being discussed. But then, as with all bourgeois laws, they are only as strong as the power that stands behind them. In this case the real power is the United States and therefore it rewrites the laws to fit its own interests, and the others can do nothing about it but acquiesce in the face of superior force.

Meanwhile the situation in Iraq remains critical. Looting is continuing and crime is widespread, while the US forces sit idly by, concentrating on protecting the oil wells. Power cuts are very common, as a large part of the grid has been damaged. Clean water is also in short supply. No doubt Bechtel will sort this one out. And in a country which has the second largest oil reserves in the world, there are massive traffic jams caused by vehicles queuing for petrol which has become scarce.

The people of Iraq suffered terribly under Saddam Hussein's regime. While they were suffering, the imperialists - in particular the US - were aiding Saddam's regime. He was their friend and ally at the time. Only when he stepped on their toes by invading

Kuwait did he suddenly become a "threat". Now the people of Iraq are suffering even more under the direct rule of US imperialism.

Terrible suffering

With companies such as Bechtel coming in they can expect even worse treatment. The workers and poor people of Iraq will learn from bitter experience that they can place no hope in these robber barons of the 21st century. The US is in Iraq for economic and strategic reasons that have nothing to do with helping the Iraqi people.

The people of Iraq have also received a harsh lesson on the nature of the United Nations. Many, even on the left, have cultivated illusions in the UN over many decades. That illusion has now been dissipated. The real nature of the UN stands naked before the eyes of the world. It can offer nothing to the workers of the world. It is at best a rubber stamp, just like that of a post office employee stamping a document, no more.

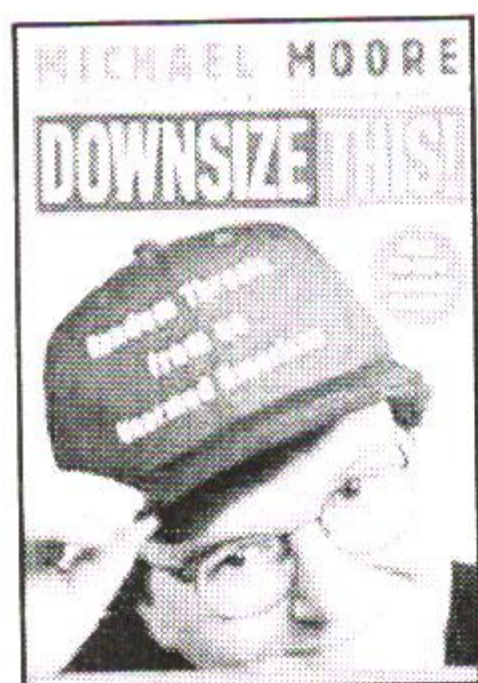
The future of the Iraqi people can only be safeguarded by the workers of Iraq. They are the force that can change society. One little example of this comes from the South Refineries Company in Basra. The workers there have been demanding elections to choose their managers. The workers have a much better understanding of the meaning of democracy. The royal engineer, Major Mark Tilley of the British Army, in charge of overseeing things at the company seems not to have the same understanding! He has said he will have none of it. After all, why should they grant such rights to the Iraqi workers when even the British workers have no such right?

As always, once the boot of a repressive regime has been lifted, workers want to have more say in how things are run. They aren't going to get it from the likes of Bechtel and co. □

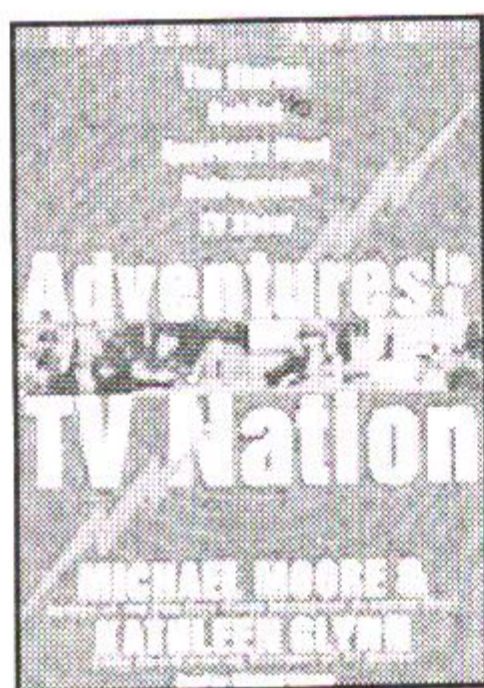
Downsize This! Adventures in a TV Nation

Michael Moore (Pan Books)

Here are some books which you may not wish to read on a crowded bus or train if you are in any way worried about being looked at for laughing out loud. Michael Moore's most recent book *Stupid White Men*, with its sharp mix of anti-establishment politics and humour, has obstinately remained lodged in the best sellers list for over six months now, making it one of the most successful non-fiction books of recent years, with UK sales of half a million copies to date. Now Pan has reissued Moore's two previous books to cash in on this.



'Downsize This!' Similar in style to 'Stupid White Men,' the book covers subject after subject - from the O.J. trial (police corruption in LA) to the stupidity of right-wing trade union leaders. Although the political scene has clearly changed since the book first appeared (for example, Clinton out, Bush in) much of it is still relevant in its merciless assault on the hypocrisy of the bosses and their chums in government.



'Adventures in a TV Nation' (1998) recounts the history of one of the most subversive TV series ever made. Attracting huge audiences, winning awards and praise from all quarters, it lasted just 17 episodes. Each show, fronted by Michael Moore himself, involved a series of set-ups aimed against big business or a section of government. This

included, for example, dressing someone up as a seven foot chicken in a superhero kit, charged with "fighting corporate crime" - which meant coming up against a lot of unfriendly security guards. Another setup involved pestering the bosses of major companies to see if they could actually do the same job as their workers - reasonable enough you might think for these captains of industry but only one boss accepted that challenge, the rest hid. In one show the cameras went after the then leader of Congress, Republican Newt Gingrich, to find out why, if he was so keen to cut public spending, was his own district of Cobb County, Georgia, receiving more federal funds than any other suburban county in the USA bar two - and those two beat Cobb County by virtue of housing the Pentagon and Cape Canaveral! Strangely enough it becomes clear that Gingrich was very happy for government money to flow into his home-patch - it helped win votes! - but just wanted cuts elsewhere, for example in the inner city ghettos. Cobb County even managed to get money for a coast guard despite having no coastline - dodgy or what? This series set the standard for all subsequent such programmes and outlined how the double standards of the ruling class could be exposed by the weapon of humour.

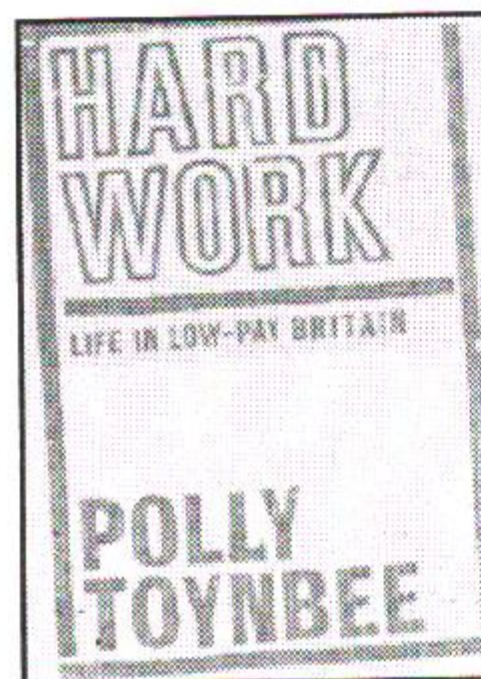
Of course, neither book has much to say about any solution to all this beyond the usual liberal method of passive protest, although Moore is strong on encouraging people to join and become active in a trade union. Mind you, if you think that some of what Moore reports sounds a

bit far-fetched and not likely to happen in 2003, consider this. One inner-city school in the US is attempting to raise funds to have an extra much-needed teacher by getting parents to sell their own blood. Maybe a topic for Moore's next book?

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Hard Work

Polly Toynbee
(Bloomsbury) £6.99



Most people with a bit of money spend their lives trying not to think about all those people who work strange and long hours like cleaners, check-out staff, low-paid factory shift workers and so on. They look out from their commuter train windows at the run down estates, shake their heads and carry on reading their papers, heads down. The urban poor seem to live an invisible life, so far as the middle classes are concerned, except when the Tory press chooses to moan on about 'lazy one-parent families' or 'work-shy jobs.' In this book Polly Toynbee recounts how she

explored this world, taking the part of some of the worse off people in Britain to see how they live and - more tellingly - are treated. What she reveals is a world of official indifference, demoralised social services and a total lack of proper support and social spending. The gap between rich and poor is worse than it was a decade ago with Britain now having the highest poverty levels in Europe. Most social services have been farmed out to privatised agencies who themselves employ low paid, often unmotivated staff charged with providing the bare minimum of service to as few people as possible. Low paid or unemployed people are confronted with a bureaucratic system full of Catch-22s aimed at stopping them from getting what they need to survive. Most damning is that there does not seem to be any way out under this system, no sign of any possible improvement - no hope at all except a future of grinding poverty of the sort which would be all too familiar to a resurrected Dickens. This book will shock those who have chosen to shut their eyes to all this and will provide damning evidence once again of why capitalism does not work. □

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Football pays the penalty

by Steve Jones

Seldom has a football season finished with so many dark clouds floating menacingly over the national game. The halcyon days when things seemed so financially promising are long gone, although in fact it was only 3 years ago that the Premier League was signing TV deals worth a massive £1.6 billion.

For the clubs in the Nationwide League (the old 2nd to 4th divisions of the original Football League) the crisis has been running for some time now. The collapse of ITV Digital has meant a staggering loss in budgeted income for these clubs, with the only replacement being a measly deal with BSkyB for a fraction of what they had been getting. The result of this has been that virtually every Nationwide League club has had to cut costs sharply and reduce staffing levels.

Several clubs have already gone into administration in order to avoid collapse. It is now only a matter of time before a club finally goes belly up.

So with the season's end we are seeing club after club giving unprecedented numbers of free transfers to players they can now no longer afford. 750 players were on the released list of the players union, the PFA, last year - it is predicted that this may double.

The fate facing those clubs relegated from the Premier League is particularly dire.

Last year Leicester City went into administration following relegation. Clubs, such as West Ham, who have operated on Premier League levels of spending for some years now will be hit hard by the drop - more so say than West Brom who had maintained their pre-promotion

level of spending. Sunderland have made 83 redundancies and will no doubt be offloading their most valuable players at bargain prices to generate income.

But are things any better for those clubs remaining, or being promoted to, the top flight?

Rewards

Evidently not anymore. This may seem strange when you look at the high incomes generated from prize money and TV rights during the last year. Official FA data for the 2002/3 season shows that both Arsenal and Man Utd got over £50 million each just from these sources alone and even clubs who have endured a poor season will be in receipt of over £20 million each. But the reality is that most of the top flight have seriously overspent over the last five years or so and are in big trouble. For example, Chelsea have debts of £85 million, Arsenal over £30 million, Fulham £65 million and most publicly of all, Leeds Utd are sitting on debts of £78.9 million (as at Dec 2002) with £17.2 million having gone

walkabout in just the previous six months.

Leeds' attempt to reduce this have been well documented but the real point to make about their plight is that Leeds is having to take action now, rather than just carrying on regardless as Newcastle and Man City have been doing recently - and as the rest have merrily done in the past. What has changed? Well it is becoming clear that the financial institutions and banks, who have underwritten football's spending spree in the expectations of huge returns, have now got cold feet. The boom times of the 1990s seem to be coming to an end. Merchandising shops are closing, sponsorship deals are generating less cash and yet costs are continuing to rise. A top player signed on a Bosman (i.e. no fee to the selling club) can expect to earn £30,000 per week plus extras, which adds up to several million over the period of a contract. This compares sharply with the fate of the remaining 95% of professional footballers. Many in the lower leagues are now earning less than they could expect to get were they to be in another job outside of football.

Many clubs have also been caught up in the nightmare of trying to fund new stadiums or major changes to existing ones, lumbering themselves with debts which cannot be repaid.

At the centre of all this is the gloomy prospect facing the top clubs on TV rights. BSkyB have made it very clear that the next TV deal will be settled at a far lower amount than last time. No one else is likely to come forward with anything better, especially after seeing what happened to ITV and its sports channel, set up to show live football but only lasting a year before collapsing. So the financial prospects are not looking too good - less income, rising costs and mounting debt. Welcome to the real world, planet football!

The last twenty years have been marked by a tendency to ensure that the so-called elite clubs benefit at the expense of the rest - and most of all benefit at the expense of the supporters now rebranded as 'paying customers.' Tickets prices have shot up and merchandising is everywhere, designer football for the middle classes is the objective and to hell with the poor soaks traipsing into Brisbane Rd every other week.

The creation of the Premier League was part of this as was the setting up of the Champions (and their rich pals) League in Europe, although this has created new pressures on clubs with the elite becoming financially very dependent on European qualification year on year to make ends meet. Now share prices are falling and the money men who have ripped football off want to move on to safer areas of investment, especially in these uncertain times. The reality is that capitalism has - and will - treat football as just another set of companies, there to generate profit for shareholders, rather than being part of the social fabric held in trust for future generations. The time has come to show big business the red card and take the game back, to be publicly owned and run in the interests of players, supporters and the local communities. □



Rewriting history

A reader's reply to Peter Hitchen's article in *The Mail On Sunday*

Peter Hitchens has launched a scathing attack on the real history of Marxism in that well known socialist paper *The Mail on Sunday*.

I read his latest propaganda with a feeling of foreboding, and we must constantly remind ourselves as Marxists just what sort of thing we are up against on a daily basis from the spokespeople of capital.

If Peter Hitchens' thinks Tony Blair, and the Labour Party are socialists this demonstrates a total lack of understanding of politics in general. Clearly Peter does not see that since Tony Blair was elected in 1997 he has been a loyal servant of the British capitalist class. The attacks on living standards have continued. The bankrupt policies of privatisation and the Private Finance Initiative have continued. In fact if Peter had any understanding of events at all, he would realise that the present Labour Party leaders have been, and still are loyal servants of the British ruling class. They are no more socialist than the Conservative Party themselves, in all their crowning glory. The Labour Party are also not Stalinist in nature. They do not advance the bankrupt ideas of a state bureaucracy. The commanding heights of the economy are still overwhelmingly in private hands, and the process of privatisation and the undermining of effective public services goes on, just as it did under the previous Conservative administration. However what Stalinism did seek to do was re-write history, especially the history of the Russian Revolution and this has led to many incorrect analyses of what gen-

uine socialism really is. People such as the spy Kim Philby were not heroes, but were corrupted by the false ideas of Stalinism, and their actions were the result of a complete lack of any true revolutionary and dialectical perspective.

Peter clearly does not understand the difference between socialism and capitalism. He has no understanding of the fact that Stalin was not a socialist by any means. What Stalin set out to do was usurp power for himself and the bureaucracy of the Soviet Communist Party. He ultimately achieved this by the drowning in blood of the genuine revolutionaries of 1917, namely the Bolshevik Party. Lenin and Trotsky were firm believers in the Soviets

and workers' democracy. The coming to power of Stalin and the bureaucracy was the result of a combination of events from 1917, through the 1920's - the death of Lenin due to ill health in 1924, the First World War which took a heavy toll on the Russian working class, the fighting off of 21 armies of foreign intervention and the continued isolation of the Soviet State Internationally. The combination of all these events had left the Soviet working class drained, and had affected the organs of Soviet democracy, which ultimately led to the rise of Joseph Stalin and the monstrous bureaucratic clique that he built around himself. This arose due to the material conditions of the time. Had Stalin not existed, then

some other bureaucrat would have taken the Soviet Union down a similar road, because of the events and conditions that existed at the time. This fact is completely missed by Peter Hitchens in his article. I would also note that the genuine Marxists predicted that this regime would collapse at some point and it did in 1991. However, what replaced it, i.e. capitalism has been worse. Russian society is at a total impasse. The productive forces have all but been destroyed, and society is controlled by mafia gangsters and criminals. That is what capitalism has given to Russia. What needs to happen in Russia is for the original ideas of the 1917 revolution to be carried out.

As for Stalin being a brutal and vicious dictator none of these facts are in doubt, but what the spokespeople of capital clearly forget is the brutality their own system dishes out on a daily basis - like the masses in the so called third world who die in their thousands each day because they do not have enough to eat. The fighting of an imperialist war in Iraq cost thousands of Iraqis their lives, and now the "liberators" of US Imperialism are quite happy to plunder the region of its assets. There has also been evidence that ancient artefacts have been plundered from the museums. Artefacts that go back thousands of years and are the only remains of once great cultures. All these pieces will no doubt end up in the private collections of our "democracy" loving art speculators in the west, who only see such items as commodities to be bought and sold on the international art circuit. They have no interest in the fact these treasures



should be preserved for the benefit of all humanity.

What Stalin did was to proceed to re-write history to suit the bureaucracy. This was done by a man who took no leading role in the 1917 revolution and only got to the position he did by bloodshed and murder on a massive scale. It is also acknowledged that Stalin collaborated with Hitler, and was instrumental in the betrayal of the German revolution which directly paved the way for fascist reaction to gain power in that country. Stalin could not afford a genuine successful proletarian revolution to succeed in any region of the world as this would act as a beacon to the Soviet working class to carry through the political revolution which would have destroyed Stalin and his bureaucracy. Better then for Stalin to support the forces of reaction, which led to Hitler and ultimately the outbreak of the Second World War.

The facts of Berlin in 1953

and Budapest in 1956 are not in dispute, but the correct analysis of these events was that the Stalinist regime in the Soviet Union did support the forces of reaction in other countries. They actively participated in derailing genuine revolutionary movements, because one successful proletarian revolution would have led to the downfall of the Soviet Bureaucracy, so the movements in Berlin and Budapest were crushed by Soviet tanks.

The comments on the new BBC series *Cambridge Spies* I cannot yet answer as I have not seen the series in question, but as with all events we have to acknowledge that broadcasters often present things in the way their masters want. I did feel though this article deserved a response from a genuine Marxist perspective because we want the masses to learn from the mistakes of the past so they are not ever repeated.

As for the proposed identity

card system for civilians I do not support that principle either. The reason I do not support it, is because it could be used in the future to limit the freedom and liberty of individuals, especially people within the Labour and trade union movement who do not share the views of New Labour. As the crisis in capitalism deepens and the working class moves into struggle to preserve their livelihoods and conditions, schemes such as ID cards and registration cards, call them what you will, will then come into their own. So called dissenters and "subversive" elements will be rounded up and put in prison on trumped up charges. Similar sorts of situations to what were witnessed in the 1984/85 miners' strike.

Capitalism has inherent and unsolvable contradictions, only a few of which I have illustrated here. What we have in Britain and the other countries of the west is the illusion of democracy

and freedom when in reality we have very little of either. Wanting something better for the human race is not a crime, and neither should the genuine ideas of socialism and Marxism be likened to a monster like Stalin who had nothing in common with those ideals at all. The *Cambridge Spies* were but a sign of the conditions that existed at the time, and it is the task of Marxists to patiently explain that none of these individuals ever had anything in common with the genuine socialist movement, as Blair and his party have nothing in common with socialism today.

by *David Mitchell*,
**PCS Union
Representative,
Home Office Group,
personal capacity**

Advance Notice: New book from Wellred!

In the Cause of Labour

A History of the British Trade Unions

By Rob Sewell

Approx 250 pages

Price: £9.99

Publication date: July 2003

We are pleased to announce the publication in July of a new book by Wellred on the history of British trade unionism. The original idea for this book arose from the series of monthly articles Rob Sewell wrote for the *Socialist Appeal* in the early 'nineties.

Although the material contained in this book is based on those articles, they have been considerably expanded, polished and revised. The conclusions are, nevertheless, the same as Rob Sewell wrote a decade ago. The only difference is that these conclusions have been confirmed by the events that have occurred since that time.

The book spans the two-hundred year history of the workers' movement, dealing with the birth of illegal trade unions, the Chartist movement, model unionism, New

Unionism, the rise of the Labour Party, the war years and their aftermath, the General Strike, and the period covering up until the present day.

The book is a Marxist history, which draws on the writings of Marxism to illuminate the lessons from the struggles of the working class in Britain.

It is particularly relevant today with the shift to the left of the trade unions and the emergence of a new generation of trade union activists.

A foreword for the book has been written by Jeremy Dear, general secretary of the NUJ and newly elected member of the General Council of the TUC.

All readers of *Socialist Appeal* are being given a chance to take up an introductory offer of receiving an advance copy of the book post-free.

To reserve your copy as soon as it comes off the press and to take advantage of our special offer please send a cheque for £9.99 to Wellred Publications

Socialist Appeal to all readers

A warm welcome to all delegates and visitors attending trade union conferences this month. If you are reading a copy of *Socialist Appeal* for the first time we hope you will find it of value. Union activists are constantly fighting to find the information they need - be it about their own workplace or the wider industrial scene - in order to be fully armed to deal with the bosses. Our journal aims to provide workers with the essential facts on the unfolding struggle but it also aims at something more - an understanding. Knowing things are wrong is one thing, knowing how to deal with it is quite another. That is the task of Marxism - to draw the common experiences of the working class together and point the way forward through the struggle for a socialist society. Our task is to make the programme and ideas of Marxism the property of all workers fighting for a better society, be it in the workplace, the college or school or in the community at large.

We are confident that socialism will prevail but are all too aware that what is holding us back is not the strength of these ideas but the limits of our resources. The bosses can count on millions of pounds and dollars when they need it, whether it is to fight a brutal war of imperialist aggression or just to fund their right wing press in yet another attack on workers in struggle. Our available funds are

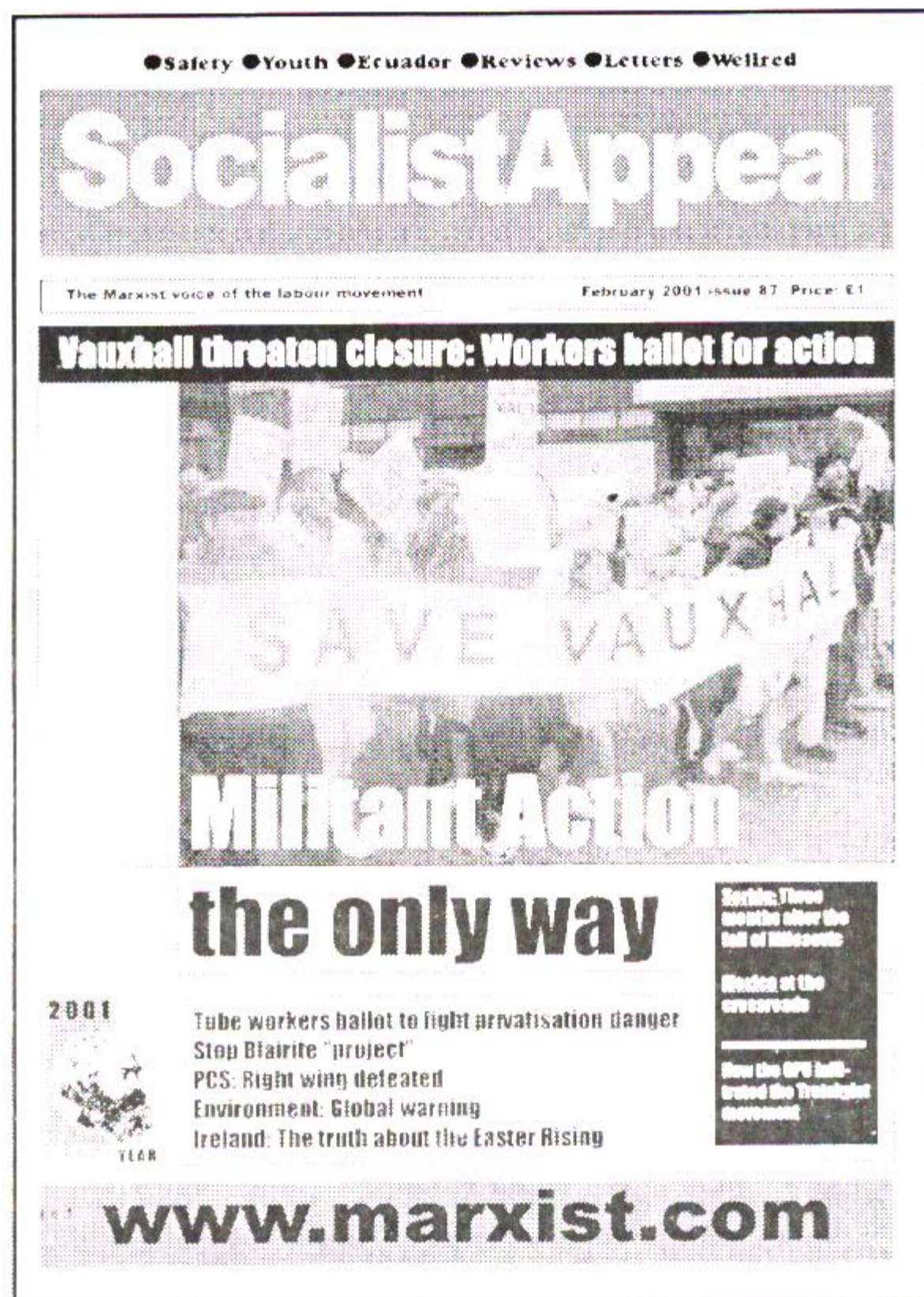
somewhat smaller. We need the support of working class people to keep flying the flag and respond to these attacks on our class.

This support can be expressed in a number of ways. Firstly by subscribing to *Socialist Appeal* (see form elsewhere) or better still becoming a seller. The big newsagent chains will not stock journals like ours so instead it's down to ordinary people up and down the country to take and sell our journal. You could be one of them - contact our office now to arrange to take a bulk order.

The other way in which you could help is by making a donation. So far we have raised £878 in May, which is an improvement on the figure of £602 raised in April. But both these months include redeemed pledges from our big collection in March, so there is considerable room for improvement. Let's see what we can do in June to better this. Those who donated recently include Kenny C. (£20), London readers (£160), Myrna Shaw (£10), R.Gow (£10), G. McCartney (£20), S McCartney (£25), D. Foster (£10), Michael Roberts (£500!) and many others who cannot be mentioned due to limitations of space. You know who you are and we thank you all - let's keep it up. Donations should be made payable to Socialist Appeal and sent to PO Box 2626, London, N1 7SQ. ☐

Steve Jones

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notice board

June 2003

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Socialist Appeal Stands for:

✚ **For a Labour government with a bold socialist programme!** Labour must break with big business and Tory economic policies. Vote Labour and fight to reclaim the party.

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Socialist Appeal

Marxist voice of the labour movement

CWU: Strike action looms as Blairite official is kicked out

The Blairites influence in the union movement was dealt another body blow last month after John Keggie failed in his bid to be re-elected to the post of CWU Deputy General Secretary. Keggie was defeated by Dave Ward who has described the result as "A mandate for change in the union and a mandate for the way we deal with the Labour Party. It is a mandate for us to represent the views of our members when we deal with the Labour Party - rather than represent the Labour Party when we deal with our members".

This is another clear indication of the tension that is building up between the Labour government and the unions. The result continues the trend that has been taking place across the movement - The Blairites are fast becoming an endangered species in the trade union movement.

There will be immediate consequences both within the CWU and for the members, and across the movement as a whole as a result of this ongoing process.

A leadership more willing to lead a fight in the members' interests is beginning to come to the fore. For example Keggie was the leading voice against calls for industrial action to achieve an increase in the London weighting allowance. A recent unofficial opinion poll of London members found a vast majority in favor of action to secure an allowance of £4000 a year for all employees in London; the current level is £3331 for inner London, and £2088 for the suburbs. Dave Ward has attacked John Keggie for failing to lead a fight for these workers, and has said he will take up this struggle.

Pressure is also building on the new left-leaning leadership to take decisive action against the Labour government's "reforms" (read attacks and cuts) of the postal service which will mean a deterioration in working conditions, longer shifts, a greater intensity of work, and not much more money to show for it in return.

The attacks of the government above all on public-sector workers over the last period have paved the way for the defeat of the right wing in one union after another. This most recent result is a very significant indicator of the way things will go for Labour in this year's trade union conference season. The Blairites are already becoming more and more isolated in the

movement, and now they are going to take an almighty hammering.

The defeat of Keggie, who was seen by many as a key ally of Blair, and a member of the Labour Party NEC, is a step forward in reclaiming the unions, and restoring their effectiveness as fighting organisations. This comes after a decade and more of the right wing ideology social partnership that has tied workers hands.

Now the essential task both inside the CWU and throughout the whole trade union movement is to arm our organizations with a fighting programme committed to raising living standards, defending jobs and conditions at work and getting rid of the anti union laws which hinder real and effective union representation. Linked to this must be the struggle to force the Labour government to change course and act in the interests of the working class who elected them rather than continuing with their pro-big business line.

The unions have always been the key to the Labour Party. The unfolding of a crisis in the Labour Party will undoubtedly parallel the collapse of the Blairites in the unions. It is not our task to stand by idle on the sidelines - the trade unions must begin a campaign to transform the Labour Party. We must step up the fight against the Blairites in the unions and the Labour Party and fight for a Labour government with socialist policies.

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