

Socialist Appeal

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Labour's third term

UNIONS MUST DRIVE BLAIRISM OUT



Inside:

Unions back
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Campaign



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Labour's Third Term: Blair's collision course with the working class

JUST FOUR weeks after Labour secured its first ever third consecutive term in office, the myth of 'widespread contentment' has been shattered by the impressive strike of BBC workers determined to save jobs and broadcasting standards along with them; action by Midland Mainline rail workers, and HSBC bank workers; the preparation of mass protests at the G8 summit; and a further shift to the left at the top of the unions with the election of Matt Wrack as the new general secretary of the FBU. In these events we see a glimpse of what is to come in Labour's third term.

Against the background of a failing economy and renewed militancy in the labour movement, Labour's majority in the House of Commons has been reduced to 67. Under pressure from the movement of the working class outside parliament, backbench Labour MPs will be able to defeat Blair, who will have to look to the Tories and Liberals to vote for his anti-working class measures. Labour has a majority of 67, Blair does not.

In other words, for all the Blairites' post-election talk of 'a mandate to continue with a reform of public services', the reality is that, despite winning the election, Blairism is already dead, 'New' Labour is done for, and Blair himself cannot be far behind.

Labour MPs and activists are lining up to demand Blair goes before the local council elections next year otherwise a protest vote will lose Labour control of local authorities all over the country. It must be unprecedented that such numbers of MPs should call for the resignation of a party

leader immediately after winning an election. It is not just their volume but their tone which is unique, "We must move forward, not back," declared Glenda Jackson the Labour MP for Hampstead and Highgate. "The prime minister has spent his premiership distancing himself from his party. Now the time has come for him to leave it for good."

It is clear that Blair's desire is to beat Thatcher's record of eleven years as prime minister. That means staying on until May 2008. That is not likely. Despite his well documented tendency to be a control freak, and this rather pathetic personal ambition, ultimately the decision will not be in his hands but will be determined by events. The more he tries to implement his programme, the greater the pressure will grow for him to go. If he backs down on that programme he can last longer, but only as a lame duck. In trying to mimic his idol Thatcher (in longevity as well as in policy) he may well end up like her, despised and forced out. Exactly when he will go is not yet clear, but go he will.

Blair is finished

How is it to be explained that having won a third successive term in office for the first time in Labour's history, with a majority of 67 in parliament, we can declare Blair to be finished?

There is a widely believed myth that Blair was the reason Labour won its landslide victory in 1997. In reality, the European Exchange Rate Mechanism disaster which pushed interest rates up to 15 percent, combined with the pit closure programme, following

the Tories re-election in 1992 saw Labour's lead rise to over 30 percent in the polls before the death of then leader John Smith. From the time Blair took over the leadership until the 1997 election that lead fell, and it has continued to fall, more or less, ever since. Labour won a landslide in 1997 regardless of Blair.

Four years later, Labour secured a second term (with the lowest turnout on record), in spite of Blair and the experience of four years of New Labour rule. Some refused to vote in protest at Blair and co's failures, but some wanted to give them another chance. Labour needed longer than four years to roll back 18 years of Tory rule, we were told.

In 2005 nine and a half million people voted Labour, many holding their noses, to make sure that the Tories did not win. That is two million less than voted Labour when Kinnock was leader in 1992, and the Tories won. This election was about keeping the Tories out and protesting against Blair and co, by voting Liberal, or by voting for one or two well positioned protest candidates, or, more than any of these, by staying at home, and not voting at all.

The first real test of how serious Labour's backbench opposition will be will come with the attempt to introduce identity cards, and any further moves to hand public services over to private profiteers. It is never possible to judge how sincere the opposition of each of these MPs is. What really matters is the pressure put on them from outside parliament by the labour movement. We cannot simply rely on backbench MPs votes in parliament. The TUC should

immediately call a national demonstration against the attack on public sector pensions with the threat of strike action if these plans are not dropped. This will provide the opposition of the backbenches with a solid backbone.

With a much smaller majority Blair and co have vowed to continue with their 'reforms'. For all their rhetoric about 'listening and learning', Blair and Brown resemble two of the three wise monkeys - they see no evil and hear no evil. They intend to blunder on regardless. However, what they intend and the reality will turn out to be somewhat different. Now the backbenches could find their opposition more potent.

Collision Course

They will in turn bolster, and be bolstered by, mounting opposition in the unions. The decision to be unremittingly 'New Labour' sets this third term Labour administration on a collision course, not only with the backbenches, but above all, with the trade unions and the working class.

The working class has shown immense patience with the Labour leaders, but they will not put up with another four or five years of Blairite capitalist attacks on jobs and on public services.

There is only one force that can defeat Blair - the trade unions and the party rank and file. It is not in the polling booth but inside the labour movement that Blair and co must be defeated. What is needed now is a militant trade union defence of jobs and pensions combined with a struggle against the Blairites, and for socialist policies inside Labour. □

BBC Strike: Workers Put Up A Solid Front Against Cuts

by Kris Lawrie, NUJ London Central (Personal Capacity)

The front page of the London Evening Standard on the afternoon of the dispute said it all: Total Chaos. Threatened with drastic restructuring which will open the BBC up to greater penetration from the private sector, 15% budget cuts, amounting to £355 million, and around 4,000 redundancies, staff at the BBC took action that crippled services.

According to the trade unions up to 15,000 out of the BBC's 27,000 staff participated in the 24-hour action that is being called 'the most successful strike in BBC history'.

BBC News was the hardest hit with hourly bulletins and lunchtime and evening shows drastically cut down, as BBC managers dusted off the cobwebs and read the news themselves, trying not to sound too wooden.

The BBC World Service was especially badly hit. Staff covering 80 foreign news desks including Uzbekistan, Albania, and China congregated outside Bush House in London chanting 'stop the cuts' in ten different languages.

Behind-the-scenes-staff were joined by high profile presenters who refused to cross the picket line. Flagship shows like the *Today* programme and PM on Radio 4 and *Newsnight*, BBC1's late night news programme, couldn't go ahead and had to be replaced with whatever came to hand.

The mood on the picket lines was excellent with striking workers at offices up and down the country and indeed around the world showing great spirit and creativity. From Kabul where three correspondents picketed with a home made banner, to Manchester with its musical picket, where strikes turned out with whistles and tambourines and sung protest songs.

Union leaders from the National Union of Journalists (NUJ) and Broadcasting, Entertainment, Cinematograph and Theatre Union (BECTU) were bowled over by the response. Paul McManus BECTU's Scottish Organiser said: "The people out on strike think they are the real BBC, and that are fighting for that BBC. This

strike is solid up and down the country". Jeremy Dear, NUJ General Secretary, praised the determination of the striking members: "Monday's 24-hour strike was a huge success and showed that BBC staff are courageous professionals who are willing to put themselves on the line to defend the quality of BBC programmes."

The strike has transformed the unions in the BBC who have been recruiting quickly since the announcement of the attacks in December. BECTU have recorded an increase of 1,200 members since December, 300 of those in the ten days leading up to the dispute. This will have a big effect inside the unions. A new influx of people will bring fresh and more radical ideas of how to struggle.

Management Bravado

BBC chiefs were playing down the impact of the strike on programming saying that the service coped well with the disruption. Mark Thomson said that the disruption was "worth it, for a more modern service". One spokeswoman even dismissed the damage of a future 48-hour strike, saying that at the end of the day it wouldn't be the end of the world. This kind of bravado is to be found by the management at the opening stage of every strike and is nothing more than an expression of the disdain with which they tend to look on the workforce in general. It should not deter the workforce, the strike shook the BBC management.

Mark Thompson came into this job with an agenda. Thomson is what has come to be known as a *moderniser* which in 'businesspeak' means he wants to force through cuts in service, staffing and wages and sell the soul of the BBC to the private broadcasters. £2.8 billion flows through the BBC coffers each year and city vultures are circling. The long-term plan of the modernisers is to deliver up the carcass of the BBC to be stripped clean.

Following the strike ACAS intervened

and talks have been ongoing. BBC management were trying to put up a reasonable façade saying: "We were disappointed when the unions decided to walk away from the table and go for a strike ballot. At no point have we said to our unions there is anything we can't discuss" pausing before adding the barb: "we are very flexible about how cuts are made"

Going into talks, Jeremy Dear, NUJ General Secretary, said: "We have no firm indication that the BBC has anything to add at this stage but we will go to the talks with an open mind. The NUJ has been seeking proper negotiations from day one and we hope the talks at ACAS deliver this. If they don't, our members are ready to take further action next week."

Following all night talks a compromise was thrashed out, the details are: A one-year moratorium on compulsory redundancies.

A framework for negotiations on job cuts in 2006 and 2007. Plans to privatise BBC Resources will be postponed for two years, with a guarantee for staff privatised staff that their terms, conditions and pension rights will be protected in the event of any sell off.

The three unions involved NUJ, BECTU and Amicus will be meeting on 1st June to decide whether to ballot their members.

The unions must take up the negotiations, but negotiations are never a magic solution. BBC executives have seen that the unions are prepared to act, that is what has got them talking. If the talks are to be successful we need to ensure that our leaders negotiate from a strong position, and if the management stick we will have to take further action.

The unions need to make sure that the bosses are not merely playing for time, as they drag on negotiations can turn into damage limitation - which in any outcome means a loss. The unions must not accept any redundancies, the bottom line is that cuts mean a deterioration in service and will mean that the burden falls on the existing staff. □

FBU Conference 2005: No 2 Fire Deaths, No to attacks on our working conditions

by Ray Smith in Southport

THE RECENT FBU (Fire Brigades Union) conference was held under the slogan "No 2 Fire Deaths". This annual conference of the Fire Brigades Union was the first with Matt Wrack as the new General Secretary. During the four days of the conference there were lively discussions and debates on key issues such as health and safety, pensions, and international policy amongst others.

Delegates and the General Secretary showed their willingness to oppose cuts in pensions, and a worsening of working conditions in general, with militant action. In fact the election of Matt Wrack to the position of General Secretary reflects a radicalisation of the FBU membership. The new leader of the firefighters echoed the anger and the firm resolution of the FBU rank and file to take up militant action.

On Wednesday John McDonnell MP addressed the conference. The head of the FBU parliamentary group gave a report of the actions taken by this body to defend the interests of firefighters. He recalled the solidarity showed by those few MPs, like himself, who attended picket lines, spoke at rallies and provided a parliamentary platform to the firefighters two years ago when they were engaged in their dispute against government plans. John McDonnell pointed out "if we have to go back to the picket lines to defend pensions, jobs or protest over control room closures with you, we will do so in solidarity."

During his speech he showed great contempt for what he branded as the Thatcherite policies of the New Labour government. The leader of the Socialist Campaign Group of MPs vowed to fight against the privatisation programme proposed by the Blairite clique installed at Number 10 Downing Street. He branded Blair's policy on pensions as "insensitive lunacy" and promised that neither he nor his colleagues in the Socialist Campaign Group of MPs will ever vote for anti-working class policies. He appealed to "affiliated and non-affiliated unions to the Labour party" to come together and put forward socialist policies on behalf of working people and to defeat Blair.

The international policy discussion

was dominated by Palestine. A report of an FBU delegation to Palestine was given. The report opened the debate on this issue. Different resolutions put forward by Derbyshire and Tyne & Wear were discussed and unanimously passed. Palestine was bound to be the main international issue on the FBU agenda. In the evening delegates, visitors and the press attended the "International night" where the Palestinian delegation explained the harsh living conditions of the Palestinian people. They explained how the imperialist and Zionist Sharon administration targeted ambulances and firefighter trucks to stop them from performing their tasks. Comedian Jeremy Hardy, in his especially funny way of explaining British and international politics, followed on from the Palestinian delegation.

The Palestinian trade unionists were not the only international guest speakers. On Thursday, the Iraqi Federation of Trade Unions spokesperson, Abdulla Musin, praised the FBU for their opposition to the imperialist war and the occupation of Iraq.

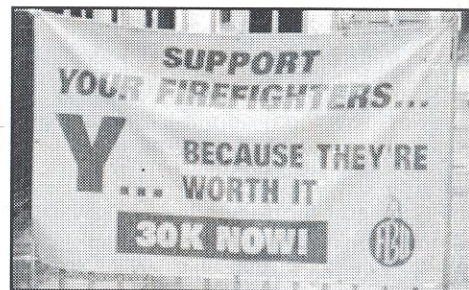
Militant Action

Pensions and Health & Safety issues were key issues on the agenda. On Thursday, delegates passed different resolutions rejecting different measures proposed by the government such as introducing crews of four. A delegate from Merseyside said "We will put our lives at risk to save other lives but not to save money for the government".

FBU General Secretary, Matt Wrack advocated strike action if the Blair government puts forward their anti-working class plans on pensions. The FBU leader warned members that even if the government has retreated for now they should be ready to work with other unions and prepare industrial action.

"The government has retreated for now, but has made no real concessions. I think deep down we all know that they will be back again," the firefighters' leader said.

He added that, "As the fourth richest country in the world, it is nonsense that



Britain cannot afford decent pay for its workers but it can afford to spend billions on invading other people's countries on the basis of a lie".

But attacks on the firefighters are not just in the sphere of pensions. The Blair government plans to establish "regional control centres". This plan involves replacing 46 fire control rooms with just nine in England and a loss of 900 jobs. Different experts have pointed out that such regional control centres are not adequate for the police and ambulance services.

Once again the pro-bosses government of Tony Blair is showing contempt for the lives of millions of people in Britain. This measure also follows the logic of the private sector "profit goes before people". TUC leader Brendan Barber correctly branded such plans as "an expensive disaster" in his address to the FBU conference. However, the hopes he placed in the Blair government to have a more "positive engagement towards trade unions" show how removed he really is from the militant mood that was expressed at the FBU conference.

The TUC leaders are deluding themselves if they think they will get any better treatment from Blair and co. in this third term. Blairism represents the "enemy within" as far as working people and rank and file Labour Party and trade union members are concerned. The task now is to remove Blair, not to expect any concessions.

The only way to stop attacks on pensions, privatisation and job cuts is through industrial action. The FBU has already shown its commitment to fight back against this social onslaught; nonetheless they cannot do it on their own. It is necessary for all the TUC to give its full backing to this struggle. □

SSP: Is the party over?

by Brian Conlon in Edinburgh

THE ELECTION results in Scotland provide a similar picture to what he have seen in the rest of the country. The Lib-Dems, whose opportunistic claim to be 'anti-war' saw them gain the bulk of the protest vote, now have 11 MP's in Scotland. The Scottish National Party (SNP) gained an additional 2 MP's to lift their total at Westminster to 6, despite their vote falling overall, 2% down on 2001. The Labour Party had a particularly bad result as a combination of the protest vote and the change in boundaries, 41 in total and since 1997, they have lost over 500,000 votes.

Meanwhile, the Scottish Socialist Party (SSP) did not even register on the radar at this election, in spite of them achieving some promising results in 2001. Like the Greens, their result in Westminster elections was much poorer than in the Scottish Parliament.

Of course, the election for the Scottish Parliament in two years time could bear no resemblance to the voting patterns of May 5. In fact at the SSP conference there was a motion up for debate to boycott Westminster elections! Instead they stood in almost every single seat and lost almost all their deposits.

What some people cannot really get into their heads about the coming council and regional elections and the new system of PR, is that to get some seats, even with the most democratic proportional system, you actually need some votes.

This may seem very basic, but if one reads the election analysis of some leading lights in the SSP, you have to wonder if they understand the ins and outs of Parliamentary democracy.

Let's look at it more closely. The bulk of the leadership of the SSP have worked out the following analysis: Labour and the Tories are the same (which in Scotland means that the Labour Party is the Tory Party), just look at their electoral propaganda. Therefore the Scottish working class does not have an organisation that expresses their views. It needs a new Party, and the SSP is trying to build it.

There is a little problem with that prognosis, you cannot really look at the actual electoral results without soon realising that the bulk of the

working people that do vote (probably more than half of the electorate) vote Labour, as explained elsewhere in the *Socialist Appeal* because they do not want the Tories back.

But coming back to the SSP leaders' "theory", as we have seen Labour and the Tories are supposed to be the same. The Lib-Dems and the SNP are not a realistic alternative. We know that the Lib-Dems are in a coalition with Labour in the Scottish Parliament. So therefore all good trade unionist, socialists, militants, anti-war campaigners and so on should vote SSP first, and join them, later. It is as simple as that.

This tactic clearly has not worked out as they would have liked. And the problem is that in order to capture votes to justify their existence, they had to open up the Party to a point where everyone is invited. In the recent period they have been very keen on inviting people who actually have little to do with the working class. This explains their programmatic limitations.

Caught in a Trap

The SSP is caught in a trap. They are a quasi-labourite party, so to capture some Labour votes they have a manifesto that, if it was not for the Blair clique, a decent chunk of Labour MP's would agree with. So the dilemma for workers here is, to vote for a big reformist party (hijacked by Blair and his capitalist pals) or a small reformist party. To vote for a big nationalist party (that is the SNP) or a small nationalist party. To vote for a big and known anti-war party (that is the card that the Lib-Dems have played) or a small one. And these are far too many dilemmas for



just one organisation to bear. In fact, it is ironic that just exactly at the time that a bold socialist programme was required the SSP leadership presented such a tame campaign

If the SSP had a clear revolutionary platform, not only for internal meetings where the MSP's confess to their members that they are actually Marxists, and were educating the members in the principles of Socialism; using their influence effectively in the trade union movement and changing the policies of those unions; then the SSP would be a small but credible force.

On the contrary, we see how they use the tabloids to sort out their internal business, how they boast a different approach to politics and yet use the same electoral accounting to figure how to get more seats and more influence. The question here is what is the influence for? More MSP's to try to get a vote with the SNP on independence? This is hardly going to solve the problems of unemployment, housing, health, etc. Standing on a full Marxist programme could at least have enthused a small layer of activists that acting in a coordinated way could have a significant impact.

Let's look at the results closely again. The SSP got 44,000, down from 72,000 in 2001 (by the way without 6 MSP's and before the anti-war movement). The result in the Scottish election was 128,000 in 2003 (of course those were Scottish elections, but there is a trend here) and in the European elections of 2004 66,000 votes.

More importantly in Glasgow, clearly the stronghold of the SSP and before that the Scottish Socialist Alliance, they had over 30,000 votes in 2003, but only 13,000 were cast in 2004 for the SSP and in 2005 only 9,000 votes. That is less than in 1999 when the SSP got 19,000 at the first Holyrood elections. Surely the dumping of the charismatic ex-leader of the SSP, Tommy Sheridan, has played a significant role. However the results show, a clear trend.

The SSP analysis states: "The SSP is also suffering from the continuing trend towards 'differential turnout' based on class. While middle class

Law Unto Himself

by Mark Turner, Cardiff County UNISON
Labour Link Officer (Personal Capacity)

constituencies such as East Renfrewshire and East Dunbartonshire had turnouts of over 72 per cent, the turnout in some working class seats in Glasgow slumped well below 50 per cent. Within these seats, some wards had turnouts no higher than 25 per cent."

This is absolutely true, and *Socialist Appeal's* analysis agrees, but it fails to mention why in some seats where the SSP had big support it lost it. For instance in Glasgow North East, where the SSP previously had over 8%, their vote went down to 4.9%, losing the deposit. The Socialist Labour Party (SLP), also standing there, without, allegedly, any support on the ground got 14.2%. The SLP in Scotland got about 6,000 votes including their 4,000 in that constituency. Some people would like to think that all 4,000 voters ticked the wrong box!

The SSP states: "In the run up to 2007, the SSP will face the task of delineating itself more clearly from the other parties, not just in an abstract way, but on concrete policies that we can actively fight for". Their problem is that they do not have a clear idea of what they do want, let alone the electorate. And dumping their best known leader is not going to help win them votes in 2007.

The SSP is in a deep crisis, anyone can see that, not only politically but financially. There are various internal platforms with irreconcilable positions, there is a nationalist trend that is pushing towards the SNP, there is a trend trying to educate and redress the Party line. There is also a group that wants to copy the model of RESPECT and try to get a Scottish version of Galloway in Scotland and not in Westminster because as Colin Fox, the new SSP leader, puts it, this is playing away. Finally there are some good militants that expect some sort of lead but this is not forthcoming as the party is paralysed by internal strife. □

Blaenau Gwent, the South Wales valleys constituency, was determined as a seat that was to have an all women shortlist in the selection of a candidate, following the retirement of left winger Llew Smith. The problem was that it had long been expected that Welsh Assembly member Peter Law would seamlessly become candidate for Parliament once Smith stood down. And the New Labour bureaucracy poured all its resources into supporting UNISON full time official and Labour NEC member, Maggie Jones, to land the safest Labour seat in Wales. Many in the Party and UNISON itself saw this as payment for services rendered by years of supporting New Labour on the NEC. After all, following 5 years of Maggie's 'representation' in the Labour Party, the UNISON Labour Link came under severe pressure from the rank and file and had to fight for its life in the 2003 UNISON Conference. Jones was also the one who moved the expulsion of the RMT from the Party! Peter Law, on the other hand, was a former Minister for Local Government in the Welsh Assembly, who was outspoken in his criticism of the Lib Lab coalition under Rhodri Morgan's first administration. His attacks on the secret deal that was foisted upon the Party in Wales earned him a reputation as a trouble maker with the Labour hierarchy. But also, his criticisms extended to general policy issues, attacking the Party's attitude towards the trades unions, privatisations and use of the private sector in the public services. His unabashed 'old Labour' speeches and knockabout attacks on Liberals and Nationalists (whom he joked sought a 'Laverbread Economy') made him very popular amongst the Party. So, when he criticised the Party's all women shortlist being imposed on Blaenau Gwent, and threatened to stand against Maggie Jones, Party members and supporters saw this as a stand, not against the single sex shortlist, but against all that New Labour stands for.

'The cheek of these people!' he repeatedly told the almost entirely working class voters. 'Coming here and telling us that, we were good enough to select Aneurin Bevan,



Michael Foot and Llew Smith, but we cannot be trusted to make our own decisions now!' Despite being diagnosed with a brain tumour on the eve of the election campaign, and undergoing an operation, Law stood

against Jones. The Party threw everything into one of the country's safest Labour seats, Party workers and a procession of Ministers led the New Labour roadshow. And they were sent packing.

At the previous election Llew Smith polled 22855 for Labour. At this election Law beat the official Labour candidate by 9,121 votes, overturning the 19000 majority and knocking down the Labour vote by 40%. He rightly described the result as a 'crushing victory', despite the 'brute force and thuggery' displayed by New Labour in Blaenau Gwent during the campaign. 'The people rose up because their integrity was being compromised by New Labour. It became a crusade and people wanted their dignity and self respect to be recognised.' This also affects Labour's majority in the Assembly since Labour had a majority of just one. The question of Labour's majority is very important, given the 'clear red water' between Labour in Cardiff and Westminster.

But the Party will not persuade Law to stand down as an Assembly member and successfully fight a by election to regain that majority by following its current line. Rather than taking note of the clear views of the Labour voters, they are embarking on, what Llew Smith calls 'a crazy witchunt', with the NEC already sending out 20 expulsion letters to Party members who supported Law. The Party should be trying to heal the rift in the crucible of Labour, by reaching out to Law and his supporters. Instead Law has accused the Party leadership of 'bringing the roof in on itself'. 'They are trying to intimidate people who simply stood up for the socialist values people in Blaenau Gwent believe in'.

Only by actually listening to Labour voters and bringing these socialists back into the fold, will Labour return to majority rule in the Assembly, and heal the divisions breaking out in the Welsh Party. □

Amicus Conference 2005:

Return The Union To Its Members

by Alan Tomala, Honda Convener (personal capacity)

On Thursday 5th May 2005, the British electorate endorsed what has been described as an historic third term Labour Government.

What will this historic third term mean? A continuation of "New Labour" or a more radical approach whereby the Labour Party - and I use the term Labour Party and not "New Labour" - returns to its bedrock principles, those of the Labour Movement, the working class and the trade unions. As an active trade unionist and optimist, I demand that "our" Labour Party returns to its core values.

In fact this view was shared by many of the delegates who attended the Amicus Policy and Rules Conference in Brighton on the dates of 14th - 18th May 2005. The recent travesties at MG Rover and Marconi demand that the Labour Government return to those core values. British workers have been, and are continuing to be, sacrificed upon the altar of global capitalism. Inadequate employment rights, oppressive anti-trade union legislation, imposed by the Thatcher Government, which this current government is reluctant to repeal, makes it easy for transnationals to cut British jobs, none more so than within the manufacturing industry, the cornerstone of the Labour Movement, the working class and the trade union movement as a whole.

Derek Simpson, Amicus General Secretary, made reference to some of these points within his opening

addresses to Conference at the weekend. The General Secretary vowed to fight for the rights of British workers. Furthermore, the point was made to conference that the government should be mindful of the role played by us and the whole of the trade union movement within the General Election. This union is not subservient and the government needs us more than we need this government. Given those opening addresses, Derek Simpson and those trade union General Secretaries of a left wing disposition, along with the membership, will play an integral part in returning the Labour Party back to those core values.

A multitude of rule amendments and motions were debated at conference and it would be nigh on impossible, as well as impractical, to discuss each and every one. However, those which are deserving of a mention are: Overwhelming support was given in the fight against the BNP and fascism, as was the fight against corporate

manslaughter. Overwhelming support was also given for our HSBC comrades who are embarking on industrial action in light of the HSBC posting excessive profits, the CEO being awarded a bonus in excess of one million pounds, whilst many of its workers are being offered a zero or below inflation pay award. Other issues discussed at conference will be mentioned later on within this article.

Fringe Meetings

Whilst the Policy and Rules Conference was important, so were the fringe meetings, of which I attended as many as practicably possible.

At the *Morning Star* rally, which was attended by well over one hundred delegates, Derek Simpson spoke about a number of issues, the most important of which being the forthcoming talks surrounding the proposed merger between Amicus and the T&G. Whilst effective organization and returning the Labour Party back to its roots were vital, so was the need

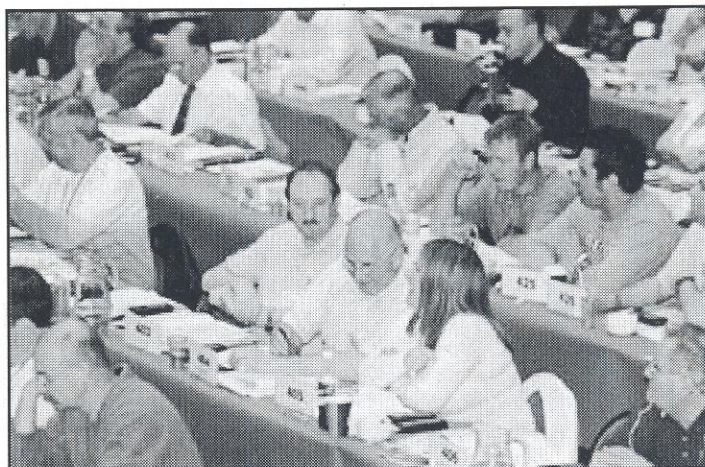
for trade unionism on an international scale, in order to make a meaningful challenge upon the capitalist class. The proposed merger with the T&G would potentially be a start to that process.

On Monday 16th May, Derek Simpson also addressed an Amicus Unity Gazette fringe meeting for the purposes of arguing the case of electing as opposed to appointing full time officers. The meeting was attended by at least two hundred delegates and the overwhelming view of those delegates was that electing full time officers would be another progressive step in returning this union back to where it belongs, in the hands of the membership. On Tuesday 17th May the motion was put to conference, where it was carried albeit with a slim majority.

However, the most inspiring fringe meeting which I attended was the *Socialist Appeal* backed, Hands off Venezuela meeting, hosted by Espe Espigares. Having followed events in Venezuela within recent editions of the *Socialist Appeal* and given that mainstream media coverage was non-existent, I felt this to be an ideal opportunity to further enhance my understanding with a view to lending my support to the campaign.

The meeting was held on Saturday 14th May. Given the negligible media coverage and being the first day of conference, the meeting was well attended.

The situation typifies



working class struggle, a struggle which has no borders, boundaries, or prejudices. The working class of Venezuela has had to endure corrupt government and western exploitation. Hugo Chavez, elected by the people on several occasions has changed the fortunes of the working class, favouring land reform, improved social conditions, improved people's democracy and control over the country's oil. This has incensed Venezuela's ruling class, as well as the Bush administration, to a point whereby Chavez was kidnapped and a Bush favoured government imposed. This along with several attempts to discredit Chavez has failed, due to the resistance of the Venezuelan working class.

On Sunday 15th May, Espe addressed conference, further developing awareness of the situation in Venezuela. The motion was carried unanimously, with 521 delegates (97.93%) voting in favour.

I, along with a number of good comrades, added our support to the campaign, handing out leaflets, spreading the message and seeking signatures for a petition, no more so than at the Amicus function at the Grand Hotel, Brighton. The issue gained momentum, especially when we, along with Espe, embarked on what was considered by many to be a sit down protest in the Hotel's foyer.

The working class of Venezuela needs our support and solidarity and we should emphasize that international working class solidarity is a necessity in order to combat global capitalism.

Attending this conference and its fringe meetings has indicated a change in mood. Derek Simpson has said that he wants to return Amicus to where it belongs that is in the hands of the membership, not as an extended hand of the multinationals. Activists in the union have to make sure that this is carried out in practice. He has vowed to fight for the rights of British workers, as well as strengthening this union in order to combat the threat of the multinational. The Labour Party has to radically change and return to its roots, that of the Labour Movement, the working class and the trade unions. The class struggle is international and the need for international solidarity to support our comrades is essential. □

Globalisation and the G8 Summit

by Heather Scott

When speaking about globalisation government analysts usually refer to five main features: Growth and spread of investment across the world; expansion of trade; relocation and reorganisation of private business assisted by financial institutions and governments; the invention and diffusion of technology; and the spread of what America calls 'democracy' around the world.

At first sight some of these features might seem to indicate progress: supporters of globalisation argue that it leads to better conditions for poorer countries. 'Only winners, no losers,' as one American economist put it. But in fact the real object is to promote freedom for international (mainly US) big business - via the world Trade Organisation (WTO), the International Monetary Fund (IMF) and the World Bank - to do as it likes around the world.

There is no space here to go into the political and technological developments of the last fifty years which have led to the growth of globalisation, or the swingeing demands made on developing countries by the IMF as a condition of loans. Let us just consider the effect of globalisation on millions of people across the world today.

Let's start with agriculture and natural resources. Many of the commodities and crops produced by Third World countries have dropped dramatically in price. This is in part because new technologies developed in Northern countries have reduced the demand for these goods. But also, in order to enhance their profits, the huge supermarket chains worldwide are paying less and less to their Third World suppliers, whose workers' conditions then deteriorate still further. The fall in prices has made poor people poorer, causing misery for millions of people who labour in fields, forests and mines across the world for little return. In other areas, introduction of new technologies and industrial methods of farming in order to expand export crops has meant that many small farmers are no longer able to grow the small amounts of staple food crops that they traditionally used to eat to survive. The terrible irony is that

increasing food supplies and gnawing hunger go hand in hand in the modern world.

Where multinationals take over from small individual farms or small factories there is inevitably a loss of jobs and livelihoods. This can lead to massive migration either within a country or to other countries in search of work, with all the misery that can go with it in the way of exploitation and abuses. In America itself the farming industry is in crisis. New technology and hybridised seeds have forced many small farmers off the land and into bankruptcy.

There are serious effects on the environment. The desire for quick profit, accelerated by globalisation, has led to pollution, deforestation and the destruction of natural habitats, which has had a profound effect on both animals and humans. The consequences of global warming, which flows from all this, are only now becoming clear. There is the plundering of plants by international pharmaceutical companies who then take out patents on their use, refusing to allow people to use their traditional remedies, without either compensation or payment.

There has been a great increase in prostitution, caused mainly by increased poverty but also by the spread of US military bases overseas, by the growth of the tourist and sex industries (both in the Third World and in the former Eastern bloc), and the rise in drug abuse. Women from farming areas, no longer able to live off the land, have migrated to these industries. HIV and Aids are spreading rapidly in the Third World.

There is the growth of drug trafficking and people trafficking. Unscrupulous criminals are conning the poor and dispossessed of many countries into thinking they can be smuggled across borders to seek a better life.

It is a depressing picture. But there are nevertheless some encouraging signs. The demonstrations and protests which now accompany the G8 summits show that people worldwide are realising that the future lies in their hands, and that the only weapon which can destroy the tyranny of naked capitalism is true socialism. □

No To Health Privatisation - Keep The NHS Public

by Mick Brooks

THE NEW Health Minister Patricia Hewitt has just announced that the government is to stump up £3 billion extra for operations. Good news? Not entirely - the entire wad is to be passed over to the private sector.

Now anyone who knows someone waiting for a 'routine' operation such as a hip operation is aware of the discomfort and deterioration in the quality of life they feel while they are hanging around waiting around for the hospital to call them in. If the government is providing £3 billion to cut down waiting lists, then that's good news for these people. But why does it have to trickle through the greasy fingers of private capitalists? By the way, New Labour's target is quite modest. They hope to get the waiting lists down to a maximum of 18 weeks after GP referral by 2008 - not exactly a socialist utopia.

If Hewitt wants to use empty beds in the private sector to cut waiting lists, then that's hard to argue about if someone you care for will get the benefit. All the same we can legitimately ask why, after eight years of a Labour government, people are still waiting for ages to be operated upon. And, if the private sector is hanging around with time on its hands, then we should be able to screw a good deal out of them.

But that's not what is being proposed. Hewitt is going to shell out £3 billion to the private sector to build new hospitals, called independent treatment centres, to carry out the operations. These are conceived as factories doing hip operations and other routine forms of health care. What happens if there are complications? Then they'll chuck you straight back to a National Health Service hospital. Aftercare? Back to the NHS for that. Where are they going to get their skilled staff from? Don't be silly. They'll poach them from the NHS. Or, if they're not allowed to do that, they'll bring them in from abroad. They're not so stupid as to pay their own training costs. What else is the NHS for, if not to subsidise greedy capitalists prowling around the health care 'industry'? The

NHS already has a poor reputation overseas for hoovering up trained health professionals from poor countries to work here. This will make things worse.

This private health care is really just 'cream skimming' or 'cherry picking' - collecting the bits that are easy to make money out of and leaving the NHS to do the loss-making stuff. The inevitable consequence of this policy is that parts of our health service are going to get into serious financial difficulties. And, under the restored internal market, they will go to the wall.

New Labour argues that it makes no difference who 'delivers' health provision. The basic principle of the NHS is that it is free at the point of use, a principle of pure communism. And that will still apply. Whether health care is provided as a public service or by profit-makers is neither here nor there. If they allow private and public provision to compete, then we'll see who's cheapest and most efficient - and that's the one we'll use.

The Real World

That's the theory. As we've already seen, it's not the real world. The private sector relies on public provision to give them all their trained staff. And they don't want to deal with any 'complications'. They haven't got the skills to do it anyway. And where's the money in that? For the same reason they're not interested in chronic conditions. They're certainly not interested in mental health. And they haven't yet figured out a way of making money out of accident and emergency - given that it's a free, universal service.

The other area where our money is being hurled at private capitalists is diagnostic procedures. Two million scans are to go out to tender. Where will these firms get the radiographers and radiologists from if not from poaching them from the NHS, where they are already in perilously short supply?

New Labour says it is introducing

competition into health provision. It's a funny sort of competition, where the public sector has one hand tied behind its back. These independent treatment centres are being offered five year contracts with a guaranteed number of patients. And they'll be paid a premium over and above NHS hospitals for doing the same operations. Thank you, New Labour, for forcing us to pay higher taxes so your friends in the private sector will do OK.

The Tories introduced an internal market into the NHS. Capitalism had utterly failed over centuries to develop a universal free health service in this country or any other. So that was the model the Tories aspired to. They divided the service into providers (suppliers) and purchasers (customers). They wanted to introduce an internal market - actually a pseudo-market in an environment where market relations are ridiculous. Health provision must be about co-operation in the care of the sick, not competition as to who can make the most money.

Labour has reintroduced the internal market they were committed in opposition to abolish. Foundation hospitals have been floated away from the service. They have budgets. They can make a surplus if they do well. They could also go broke. Foundation hospitals are really too new to have been properly tested. Nevertheless the government is going full steam ahead with Blairite 'reforms' to enormously increase the number of foundation hospitals from 31 to all 300 with acute facilities - really an act of faith. Fortunately the smaller Labour majority will give Labour rebels a real chance to kill this proposal stone dead - if they've got the gumption.

If a hospital makes a surplus, then that is supposed to be a sign it is efficient and should expand its operations. All the hospitals I know are in towns surrounded by houses and have no possibility of just building a new wing. Of course the reason they are in populated areas is because they are, in part, an emergency service.



Hospitals are now organised as NHS trusts. Doctors are grouped into primary care trusts. Hewitt wants to let patients choose what hospital in which to have an operation. Since patients are not usually well informed about medical matters, in practice General Practitioners in the Primary Care Trusts will make a suggestion. They won't necessarily select what's best for their patient. Under the new rules they'll have to make sure the new independent treatment centres are full so they can make money out of our NHS.

Under the restored internal market, real money will follow the patient to the hospital. This is called Payment by Results. There will be successes and failures. If hospitals continue to lose money, Hewitt has made it clear she will watch them go bust. How that will help the queues and shortages endemic in the health service is not obvious.

NHS trusts have not really worked so far. Nearly one third have deficits. Nine owe more than £10 million, 14 others more than £5 million and 39 more than a million pounds each. Charing Cross Hospital is to close because it has been making losses. Charing Cross is a teaching hospital. The private sector will use the trained staff nurtured at great expense there as a freebie from the NHS. Charing Cross has been undermined by the growth of private treatment in routine operations. Before, it

used to do these ops in-house to generate a surplus to subsidise the loss-making activities any real health service is necessarily involved in.

For the government 'choice' is a mantra. They see providing health care as like a 'consumer' walking round a supermarket. It's not. If you've had a heart attack, you don't want choice. You want them to save your life. You want your local hospital to be as good as any other in the land. And you don't want the private sector sucking the service dry. In any case for choice to be a reality, there would have to be spare capacity. We would have to pay taxes so that beds stayed empty with staff on hand in case patients chose that hospital. Is that a sensible use of resources?

The irony of New Labour's attempt to introduce market mechanisms into the health service was shown during the election. The government imposes standards (for instance in relation to maximum waiting times), then draws up league tables to judge performance and imposes targets for improvement. So Tony Blair was astounded to discover that patients couldn't book weeks ahead for routine check-ups because that wouldn't look good in the league tables (long waiting times). The administrators know this is ridiculous, but they have to do what looks good in the league tables, not what's best for the patient.

In the attempt to introduce a market

where no market can apply, the Blairites produce the opposite. Like factory managers faced with impossible targets under Stalin's five year plans, health administrators spend all their time doing fiddles to achieve the targets, even though they know this is ruining the health service.

If the money going into the NHS all seeps out to private capitalists, it will all have gone to waste. If they try to turn your local hospital into a medical version of Wal-Mart we'll all lose something precious. Let's keep our health service public. □

Scandal of Elderly Suicides

A DAMNING survey by Help the Aged has revealed that one elderly person commits suicide every three days in Scotland. Their research is backed by the Royal College of Nursing who are increasingly concerned that older people are falling through the safety net of social services. Disgracefully, Scotland's appalling suicide rate has rocketed since 1980, coinciding with the Thatcher government's abolition of the link with state pensions to average earnings, coupled with the slashing of resources to local authorities for social care. These policies are the major factor in condemning our pensioners to a life of misery and poverty. The Scottish Association for Mental Health has also recently announced that people from deprived areas of Scotland are 4 times more likely to kill themselves than people from more affluent areas.

Socialist Appeal fights for a decent pension for all as a basic human right and for voluntary retirement at aged 55. As a first step, the link between earnings and pensions should be restored immediately, with free housing, exemption from council tax, telephone rental, heating and TV licences for all our pensioners. This could easily be achieved by the nationalisation of the big monopolies, banks, financial institutions and drug companies who increasingly dominate our lives. □

Hands Off Venezuela

One of the largest European trade unions supports Hands Off Venezuela

by Our Industrial Correspondent

OVER THE weekend the supporters of the Hands Off Venezuela Campaign had a successful intervention at the Amicus (engineering workers' unions) conference with 97% of delegates voting to support the campaign. Hands Off Venezuela supporters were in Brighton raising solidarity with the Venezuelan revolution at the Amicus Policies and Rules Conference.

As part of this campaigning work the Hands Off Venezuela supporters in the union organised a fringe meeting on Saturday evening to highlight the revolutionary process in this Latin American country and to rally support for Venezuela against the threat of imperialist intervention on the part of the USA. There was a thorough debate at the meeting with those taking part asking a lot of questions about what is happening in Venezuela.

On Sunday May 15, a delegate for

General Industries, and also a Hands Off Venezuela supporter, Espe Espigares presented a resolution that appealed to the conference and the union as a whole to pledge support for "the revolutionary movement of the Venezuelan people in their struggle for socialist equality and justice" and also for the Hands Off Venezuela campaign.

This resolution was passed with a massive 521 votes in favour. This represents 97% of the conference delegates. On the basis of this resolution the Hands Off Venezuela campaign can now officially circulate its message of solidarity with the Venezuelan revolution among the members of one of the biggest trade unions in Europe with 1.2 million members.

During the 5-day conference delegates and some Brighton based supporters of the campaign collected hundreds of signatures for the "Open letter

to US trade unions". Importantly, among the signatories were Derek Simpson, the General Secretary of the union, as well as several members of the NEC. Among the international visitors C.H. Venkatachalam, the General Secretary of the All India Bank Employees' association also signed up.

This decision of Amicus comes after a number of other important unions in Britain have already pledged support for the Bolivarian revolution and for the Hands Off Venezuela campaign. Amongst those is the railway workers union RMT, the firefighters FBU, the transport union TGWU, the journalists union NUJ and the college lecturers union NATFHE. Now we need to build on this successful intervention at Amicus conference and reach out to more trade unions with the message of the Hands Off Venezuela campaign. □

Hands Off Venezuela at the FBU conference 2005

HANDS OFF Venezuela supporters went up to sunny Southport (Merseyside) to raise awareness of Venezuela's Bolivarian Revolution amongst the members of one of the most militant unions in the TUC. Between May 10 and May 14, we held a stall and leafletted the conference. FBU conference was a very good chance to present our "Open letter to US trade unionists", and FBU President and Hands Off Venezuela sponsor Ruth Winters appealed to the delegates to sign it and to circulate it in their branches. New General Secretary Matt Wrack also signed the appeal. If it is true that

just a minority of delegates knew about Venezuela and its revolution, delegates were very sympathetic and supportive of our cause once we explained to them what was going on. We sold some literature and got our message across to the FBU delegates. Now the task is to publicise the struggles of the Venezuelan masses in all FBU branches, so next year all delegates will be very aware of the Hands Off Venezuela campaign and why we must support our Venezuelan brothers and sisters. □



Hands off Venezuela campaign launched in Vancouver...

On the eve of May Day, forty people gathered at the Unitarian Church to launch the Hands off Venezuela campaign in Vancouver. Four speakers briefly addressed the meeting before the floor was opened up for discussion - both political and tactical.

Well-known Vancouver City Councilor Tim Louis (from the Coalition of Progressive Electors) linked the Bolivarian revolution to the struggle for socialism in Canada. Political Science professor Peter Prontzos discussed US imperialism in Latin America past and present, and Jay Hartling reported on the recent trip of the Bolivarian Circle of Vancouver to Venezuela. Miriam Martin from Fightback and the International Hands off Venezuela campaign reviewed the gains of the revolution so far and emphasised the need for the revolution to be carried to its logical conclusion - socialism. An organising committee was struck, and it was agreed that public events should continue monthly-including pickets, film screenings, parties with food and music, and a book launch for Alan Woods' new book *The Venezuelan Revolution - A Marxist Perspective*. A collection was held and \$100 was collected. The collection also contained 35,000 Bolivars! □

...and at the Winnipeg Social Forum

On May 7, the Hands Off Venezuela Campaign made a presentation at the 1st annual Winnipeg Social Forum, held at the University of Winnipeg in Manitoba. Joining some 60 people who had participated in a full day of presentations, workshops, discussions, musicians, food, and street theatre, the supporters of Hands Off Venezuela and Fightback participated in a lively discussion on the important issue of Venezuela. Cy Gonick of SMAC facilitated the session.

John Peterson, from the U.S. HOV campaign, briefly introduced the film "Venezuela Bolivariana", an overview of events in Venezuela from the 1989 "Caracazo" uprising to the aftermath of the 2002 coup against democratically-elected President Hugo Chavez. Unfortunately, due to technical difficulties, the film was cut short. Peterson picked up where the film left off, bringing the audience up to the present situation in Venezuela. Many questions were asked after his introduction, and many in the enthusiastic and attentive audience expressed an interest in forming a Winnipeg HOV committee. After the event, many of those present visited the HOV / Fightback stall to sign the HOV petition, pick up leaflets and other materials, ask further questions, etc. □

An Open letter to US trade unionists

Below is the text of an open letter to US trade unionists to support the struggle in Venezuela and to oppose the interference of US imperialism in the internal affairs of Venezuela. Please give this letter wide circulation in the labour movement. Make copies or alternatively you can sign online at handsoffvenezuela.org

George W. Bush: Hands Off Venezuela!

We, as trade unionists, are making a direct appeal to our brothers and sisters in the United States on behalf of the people of Venezuela.

The recent belligerent statements and attacks on President Chavez coming from the representatives of the Bush Administration pose a direct threat to the working people of Venezuela. Such aggressive noises from the White House are the same kind of language that was used to prepare the ground for US intervention in Vietnam, Cuba, Chile, Iraq and elsewhere. We therefore appeal to our friends in the American trade union movement to join with us in condemning these provocations and to place the maximum pressure on the Bush Administration to desist from these attacks.

We demand the right of the Venezuelan people to self-determination and no to imperialist interference.

Public Meeting Defend the Venezuelan Revolution!

Thursday, June 15, 7pm
ULU - Room 3C-D

Speakers confirmed -
Orlando Chirinos
(National Co-ordinator UNT)
John McDonnell MP

Also invited
Bob Crow (General Secretary RMT)
Matt Wrack (General Secretary FBU)

All Welcome!

Time is running out

by Michael Roberts

BEHIND ALL the optimistic talk about the health of world capitalism from Bush, Blair etc, the more serious analysts are worried. In its semi-annual report, the Organization for Economic Cooperation and Development (OECD), representing the richest 26 countries in the world, announced that it is cutting its forecasts for all the leading economies. The OECD also forecast that the United States current account deficit would continue to rise, hitting nearly \$900 billion, or 6.7% of US GDP, in 2006.

The OECD chief economist told the *Financial Times*, "We're not saying there will be a doomsday tomorrow morning... but because adjustments to global imbalances are relatively slow, we are running the risk that an accident will happen. That's where we are. Time is running out -- the numbers are getting big, big, big."

The OECD announced that growth of real GDP in its area would be 2.6% this year down from 3.4% last year. It is also expected that world trade growth would slow to 7.4% from 9.4% in 2004. Of course, that's still pretty good for capitalism, but these forecasts are heavily down on the OECD's previous predictions last October. They see the US still growing at a healthy pace of 3.6% this year, but Japan will only manage 1.5% and the Euro area just over 1%. And the outcome may be worse than this.

In the Eurozone, all is doom and gloom. Economic growth in the Eurozone has dropped to just 0.5% in the first quarter of 2005. In Germany, there is no

growth at all, while unemployment continues at well over 10%.

Schroeder in Germany is making a last desperate bid to hold onto power. He has been under pressure from the left of his party for implementing cuts in benefits and under a cloud from the electorate for failing to cut unemployment, while making it more difficult for people to get any social security. The working-class stronghold of North Rhine Westphalia voted in a regional election to oust the Social Democrats for the first time in 40 years. Schroeder's answer has not been to change his pro-business agenda, but to threaten early elections, which would surely mean the return of the big business parties of the Christian Democrats and right-wing Christian Social Union, with their thinly veiled racist anti-immigrant, anti-Turkish policies.

EU Referendum

Things are little better for Chirac and his right-wing supporters in France. As I write, the referendum on the EU constitution looks like being defeated as the French people vote against a pro-business, anti-labour agenda enshrined in the ludicrously bureaucratic EU proposals. That will mean the end of

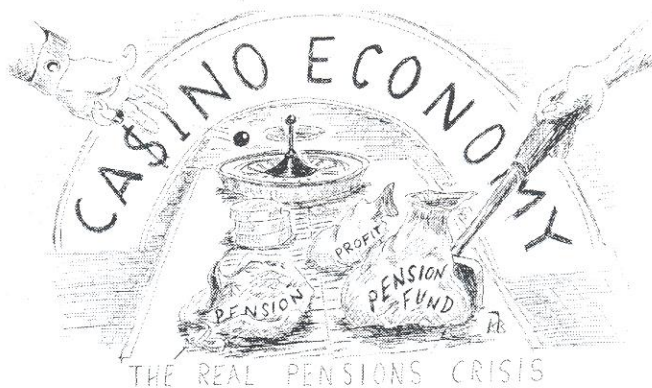
Raffarin as premier and the resurgence of the left in the French Socialist Party. Unemployment in France is also locked in at around 10%.

Europe's capitalist movers and shakers have no explanation of why there is no growth. The governor of the Bank of Finland and a member of the European Central Bank, Erkki Liikanen, is baffled. "I don't have an answer. Will the Eurozone pick up this year? It remains to be seen. We will see." Very helpful!

The usual argument of the capitalist economists is that the reason that Europe does not grow is because it has too large a public sector and too much money is spent on benefits for the sick and unemployed and on pensions. What needs to be done is to adopt the so-called 'Anglo-Saxon' model. That means cutting taxes for big business and the rich as an 'incentive to invest'. It means cutting benefits and pensions for workers and the poor as an 'incentive to work'.

You see how incentives work under capitalism: it's the carrot for those who already have carrots and it's the stick for those who already have been beaten! You see the rich appreciate more and the poor appreciate less.

Capitalist experts claim that it may be unjust but a more unequal and more unfair society in the Anglo-Saxon model works because you get faster economic growth and that helps everybody. So the US and the UK can grow at 3% a year and have unemployment below 6%, while Japan and Europe grow at less than 2% a year and have 10% unemployment (at least



in Europe).

Well, this view of capitalism may be about to have a nasty shock. The UK economy is in trouble. It grew just 0.5% in the first quarter of this year.

Industrial production is now falling absolutely, at nearly a 1% rate. And we know that sales in the shops have stopped rising altogether. British households are no longer spending much (spending growth has fallen from 5% last year to just 2% now). That's not surprising when people know that the value of their main asset, their house, has slumped back in the last year. At the same time, the Bank of England has driven up interest rates from 3.50% to 4.75% in the last 18 months. It's just becoming too expensive to borrow.

Gordon Brown must be getting worried. He continually predicts that the UK economy will go on growing at over 3% a year. He shall be lucky to get 2% this year. This below-trend economic growth means that unemployment will start to rise. Indeed, the number of those claiming benefit has now risen for three successive months (despite all the efforts of government to put obstacles in the way of anybody claiming).

Rising interest rates, falling house prices, slowing household spending, widening trade deficit with the rest of the world and a pick-up in unemployment: that is the UK economy. It is also a paradigm for the rest of Anglo-Saxon world, especially the US.

The *Financial Times* recently talked about the less than attractive outlook for the Eurozone. It added, "In contrast, the outlook for the US economy, in the light of the recent retail sales and non-farm payroll numbers, seems more robust. But that only leads us to another puzzle. If the outlook for the US economy, and thus for corporate profits, is so good, why are US Treasury bond yields only 4.1 percent, a figure that looks low in real and nominal terms? No wonder investors are confused."



A very low bond yield means that investors are not confident that economic growth will be sustained. Instead they think the economy is going to slow and they expect lower returns on their investments.

Indeed, everywhere (including the US) the surveys of consumer and business confidence are indicating a downturn. The Chief Executive magazine's CEO confidence index in the US fell 16.8 points to 146.8 in May - its worst reading in over a year and its biggest monthly drop since the survey began in October 2002. On top of that, consumer confidence continues to decline.

So far, with US homes sales surging to a record high, while prices increased 15.1% year-over-year, the biggest price increase in 25 years, or since 1980, no wonder Americans continue to spend. But time is running out.

Boom For Whom?

The US central bank, the Federal Reserve, has been steadily hiking interest rates. And there are signs that corporate profits have peaked and are beginning to drop back. Most significant, the economic boom of the last three years has not benefited the mass of American working people. In the Eurozone, real wages (that's wages after inflation) are falling. But they are also falling in the US, despite rising employment and strong growth. The benefits of

growth have all gone to big business in profits and tax cuts.

Indeed, American workers are hanging on to make a living. The Chief Economist of Merrill Lynch, the big investment bank, David Rosenberg, predicts a decline in the US economy because: "how many of you know that almost 60% of the job growth in the past year has been in the age cohort of 55 and up? Why are people today hanging on to their jobs longer than the norm? Because they need the income."

But people of my age, in their late 50s, cannot work for another 25 years.

Eventually, they will need pensions and benefits. And that is precisely the area that big business and the right-wing government in the US wants to cut. The Bush administration is laying out plans to decimate the public social security and pension scheme. And the big corporations are trying to end their pension schemes and cut back on health benefits for their workers - the one remaining gain that many organised workforces in US companies have achieved. Proper medical insurance in the US now costs over \$1000 a month, or nearly £7000 a year!

The OECD announced that it expected the deficit on trade that the US runs with the rest of the world to reach \$900bn next year, or over \$2.5bn a day. The rest of the world will soon be unwilling to fund that amount to keep the US economy going, if it is at the expense of the rest of the world having no growth and rising unemployment. Only China continues to want the status quo, as it mops up the world's trade.

It may not happen this year, but this huge imbalance is going to crack. It can only be righted by the dollar falling sharply (but that would mean Europe and Japan going into economic recession) or by the US economy slowing towards zero growth (and that too would be bad news for the UK, Japan and Asia, in particular). It will probably be a combination of the two outcomes. □

The Relevance of the Permanent Revolution Today

by Rob Sewell

OVER THE last few months, Leon Trotsky's theory of the Permanent Revolution has become known to millions of people by the pronouncements of President Hugo Chavez. Ever since his visit to Spain at the beginning of the year and his purchase of Trotsky's book *The Permanent Revolution*, Chavez has made his support for the theory known publicly.

This is quite an extraordinary state of affairs. It is the first time since the days of Lenin and Trotsky that a head of state has commended this revolutionary theory. In contrast, with the coming to power of Stalin in 1924, the theory of the Permanent Revolution was denounced for decades by the Stalinist parties as heinous "counterrevolutionary Trotskyism".

Stalin, originally in alliance with Zinoviev and Kamenev, created the legend of "Trotskyism", as a set of ideas opposed to Leninism. They focused - as the central target for their attack - on Trotsky's Permanent Revolution, declaring it to be based on anti-Marxist ideas, especially in its so-called under-estimation of the peasantry. Permanent Revolution represented the original sin of "Trotskyism".

As late as 1974, a pamphlet - *A History of the Struggle Against Trotskyism* - put out by the Communist Party of the Soviet Union states: "The main specific feature of Trotskyism distinguishing it from all other varieties of 'left' and right opportunism was the so-called theory of permanent revolution. This 'theory' was based on a voluntaristic idea of fanning the flames of a world proletarian revolution. Today this idea has been embraced by Maoism and other forms of petty-bourgeois revolutionariness. Trotsky regarded this theory which he had borrowed from Parvus as his (Trotsky's) principle 'contribution' to the Marxist doctrine, and employed it to attack the very essence of Leninism - the Marxist-Leninist doctrine of socialist revolution." (Sergei Dmitriev and Vsevolod Ivanov, pp.25-6, Novosti Press Agency, Moscow 1974)

The pamphlet is full of distortions, typical of the Stalinist school of falsification, and does not trouble itself with a single quote from Trotsky's Permanent Revolution. Instead it confines itself to misinterpretation and slanders, concluding, "Trotskyism had become a 'fifth column' of the forces of world reaction... Denying the socialist character of the countries where the working class is in power, the Trotskyists allege, as Trotsky did in the past, that these countries are undergoing a process of 'deformation' and 'bureaucratisation', and that other nations cannot use their experience of socialist construction."

Within fifteen years of this pamphlet being published, the bureaucratic regime of Stalinism had ignominiously collapsed and the leaders of the so-called "Communist" Parties had gone over to capitalism and counterrevolution, as Trotsky had forecast, and turned themselves into bourgeois millionaires overnight.

Trotsky in 1904

Despite its Stalinist and reformist detractors, the theory of the Permanent Revolution has vital importance for today. The young Trotsky first put forward the theory in outline in 1904. He subsequently deepened and developed the theory after the experiences of the 1905 Revolution in Russia. When, in October 1917, the Russian Revolution established the first workers' state in history, the conclusions of Trotsky's theory were completely vindicated.

What is the essence of this theory? In the *Communist Manifesto*, Marx and Engels outline the different stages through which men and women have lived, from primitive communism, through slavery, feudalism and now capitalism. They explain that within each society forces are developed for its eventual overthrow. For example, the forces of the new bourgeois society had developed within feudalism in the form of the merchants and rising bourgeoisie. The conflict of the developing productive

forces against the old feudal structure is resolved by the bourgeois-democratic revolution. This was classically demonstrated in the French Revolution of 1789-93 and the English Revolution of 1640-9, where the bourgeoisie swept away the feudal regimes, creating the modern nation state, a national and international market, capitalist superstructure, including the creation of the modern working class. The next step forward is the overthrow of capitalism by the working class and the establishment of socialist society on a world scale.

However, what of those backward countries where even in the twenty-first century landlordism and semi-feudal relations still hold sway? Here the 'capitalist revolution' as yet has not been accomplished, so what should be the view of the working class?

This was the heated debate that took place within the Russian Marxist movement at the turn of the last century, at a time when Trotsky wrote his pamphlet *Results and Prospects*.

The Marxists, and this included both Bolsheviks and Mensheviks, believed that Russia would have to go through the capitalist stage before the working class could fully develop and then be able to carry through the proletarian revolution. Both wings agreed on the nature of the coming revolution: a national bourgeois-democratic revolution.

Where Lenin (and Trotsky) parted company with the Mensheviks was over the question of what class would lead the bourgeois-democratic revolution. The Mensheviks were categorical that it was the liberal bourgeoisie who would lead the revolution and set up parliamentary democracy, under which capitalism would flourish, and the workers' parties would develop on the lines of Western Europe.

Lenin and Trotsky, however, having analysed the forces at work in Russia, concluded that the liberal bourgeois could not play the same role at their earlier counterparts in the West. They

would vacillate and betray the revolutionary movement. It fell to the small working class of Russia to fight for the leadership.

The Russian bourgeoisie had come onto the scene of history too late. They were linked with the landlords and feudal classes through marriage as well as being tied to the coat tails of foreign imperialism. Even Marx and Engels had exposed the cowardly role of the bourgeoisie in the revolutions of 1848-50. How could they lead a revolutionary movement against these interests?

Although the Russian working class was small, it showed revolutionary potential. It was born in the huge factories that were established by foreign capital in Moscow and St Petersburg, which had a greater concentration of workers than in the West. This was of decisive importance for Lenin and Trotsky. "In spite of the fact that the productive forces of the United States are ten times as great as those of Russia", wrote Trotsky in 1904, "nevertheless the political role of the Russian proletariat, its influence on the politics of its own country and the possibility of its influencing the politics of the world in the near future are incomparably greater than in the case of the proletariat of the United States." (*Results and Prospects*, p.197, Wellred 2004)

The Democratic Dictatorship

Likewise, Lenin argued that the mighty forces of the peasantry in Russia - the key force in the battle against Tsarism - could only be led by the workers. The bourgeois-democratic revolution could therefore only be carried out by an alliance of the peasantry and the working class. Lenin therefore put forward the slogan of the "Democratic Dictatorship of Proletariat and Peasantry". This democratic dictatorship would have the task of establishing a democratic republic, setting up a Constituent Assembly, expropriating the landed estates, and introducing an eight-hour day. None of these tasks were socialist in character. However, the revolutionary victory in Russia would carry the revolutionary transformation into Europe and provoke socialist revolution there. Once the working class had come to power in Europe, they in



turn could assist the Russian workers move to socialism.

While Trotsky agreed with Lenin against the Mensheviks, he felt Lenin's slogan of "Democratic Dictatorship" left open the question as to what class would lead this alliance of proletariat and peasantry.

Trotsky's analysis of the nature of the peasantry led him to the conclusion that, unlike the proletariat, its stratification ranging from landless peasant to the rich exploiters (Kulaks), its narrow horizons, its obsession with the land, would give the peasant movement a sporadic character. The whole of history proved that the peasants required the leadership of another class to bind it together and use its energy for the smashing of the old order. The peasantry cannot play an independent role, but must fall under the domination of the bourgeoisie or proletariat. "The history of capitalism is the history of the subordination of the country to the town", noted Trotsky. (*Ibid*, pp.204-5)

If the bourgeoisie, given its links to imperialism and landlordism, could not provide leadership to the revolution, it must inevitably fall to the working class to play such a role. Trotsky therefore argued that in the alliance of working class and peasantry, the workers' parties would fight for the leadership to carry forward the peasantry to carry out the democratic tasks, particularly the agrarian question. Rather than the "Democratic Dictatorship of Proletariat and Peasantry", Trotsky proclaimed the "Dictatorship of the Proletariat supported by the Peasantry".

After the proletariat has seized power and carries through the tasks of the bourgeois-democratic revolution, it will not stop short and maintain bourgeois relations. It will, out of its own class interests, be forced to carry over the revolution from the bourgeois democratic revolution to the proletarian rev-

olution. Following in the footsteps of Marx on the German revolution of 1848, he said the Russian Revolution would be "uninterrupted", "continuous" or "permanent" in other aspects also. The Russian Revolution would not be able to survive in a single country under backward conditions, but would become permanent in an international sense. The spread of

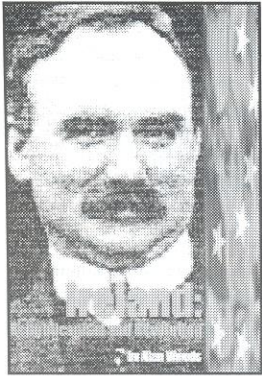
the revolution to the West would allow the world revolution to come to the assistance of the Russian working class.

In essence, the Russian Revolution was a vindication of Trotsky's theory of Permanent Revolution. Lenin, basing himself on the real alignment of social forces in Russia, discarded the old outdated slogan of "Democratic Dictatorship of the proletariat and the peasantry". Instead he rearmed the Bolshevik Party with his "April Theses" (resisted incidentally by Stalin, Kamenev and Zinoviev) posing a reorientation towards the Dictatorship of the proletariat.

The Venezuelan Revolution

The theory of the Permanent Revolution has great relevance today in the unfolding struggles in Asia, Africa and Latin America. It explicitly rejects the Menshevik idea of two-stages in the revolution, which was the policy adopted by the Stalinists and led to a whole series of tragic defeats. Above all, it has colossal importance for the Venezuelan Revolution, which can only be carried through to a conclusion on the basis of a socialist revolution. In the modern epoch, even where nominal "independence" has been gained, as in the states of Latin America or Africa, none of the key tasks of the bourgeois democratic revolution has been accomplished. They remain tied to foreign imperialism and economic backwardness.

The modern-day critics of the permanent revolution have nothing to offer but a rehash of Menshevism. The Permanent Revolution gives us a vital weapon in the struggle for the emancipation of the oppressed peoples. It is an essential strategy in the success of the national and anti-imperialist movements everywhere. □



Wellred launches new book on Ireland

Wellred Publications is proud to announce the publication of a new book by Alan Woods entitled "Ireland: Republicanism and Revolution". The book is a unique account of the struggle for Irish free-

dom from its origins in the revolutionary-democratic movement of Wolfe Tone to the present crisis within Republicanism.

The signing of the Good Friday Agreement and the subsequent ceasefire of the Provisional IRA after 30 years of armed struggle raises the question: after so much sacrifice and bloodshed, what has been achieved? Yet this question is being studiously avoided by the leaders of Sinn Féin, who have exchanged the armed struggle for a minister's portfolio. Though they publicly deny it, the unification of Ireland is off the agenda. The strategy, methods and tactics of non-socialist Republicanism have ended in complete disaster.

Marxists have always been in favour of a united Ireland,

but, following in the footsteps of James Connolly, have also understood that this goal can only be achieved as part of the struggle for a socialist Ireland and a socialist Britain. This can only be brought about by class and revolutionary methods. The prior condition is to unite the working class in struggle and to return to the revolutionary traditions and programme of Larkin and Connolly - the programme of the Irish Workers' Republic.

The preface written by Gerry Ruddy, a leading member of the Irish Republican Socialist Party, recommends the book to all Republicans and socialists as a positive contribution to today's debate over the future of Ireland.

"Serious revolutionaries, genuine Marxists, committed Republicans will read this book with thoughtful interest. They will give it the respect it deserves... We firmly believe that if this book by Alan Woods begins a process by which Republicans and socialists return to Connolly and the best ideas of the Irish and international left, then the future struggle for socialism in Ireland will be greatly advanced."

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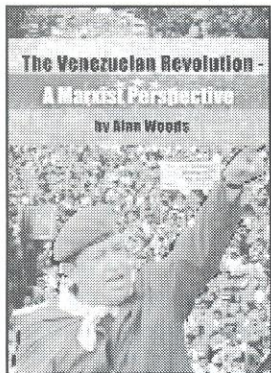
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ary developments and, within the Latin American continent, Venezuela stands out sharply as the country most affected by this process. It would be no exaggeration to say that Venezuela is now the key to the international situation. It therefore follows that the class-conscious workers and youth in Britain and elsewhere must closely follow the events in Venezuela and assist the revolution with every means possible.

Alan Woods has been a consistent champion of the Venezuelan Revolution since its inception. He helped initiate the Hands Off Venezuela Campaign. He has held personal discussions with President Hugo Chávez, which are recounted in this book.

The author concludes that the Venezuelan Revolution cannot stop half-way and holds up the perspective of a victorious socialist transformation. Only by expropriating the power of the oligarchy can it succeed and spread to the rest of the Continent. This is no foreign idea, but in essence is the vision of Simon Bolivar in the context of the 21st century, of the creation of a democratic Socialist Federation of Latin America.

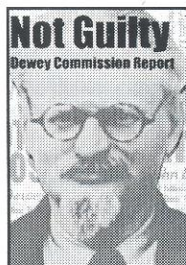


The Venezuelan Revolution A Marxist Perspective

This book by Alan Woods is essential reading for all those who want to understand what is happening in Venezuela today. But this is no mere description of events. It is a powerful Marxist analysis of the Venezuelan Revolution, its weaknesses and

strengths, its contradictions and unique characteristics. The book was not written with hindsight. Every chapter, beginning with the coup of April 2002, was written as the events themselves were unfolding, and trace the winding course of the revolution. They reflect the immediacy and lightning speed of events happening before our very eyes.

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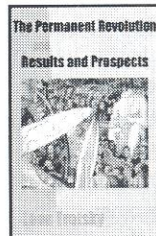


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IRAN: In solidarity with the independent labour movement of Iran

WE STRONGLY condemn the recent grave developments within the Iranian workers' movement and express deep concern about their possible effects on the militancy of labour activists in the next period. What began as seemingly isolated abductions of individual activists Sadegh Amiri, a member of the Committee in Pursuit of Free Labour Organisations in Iran, and Parviz Salarvand, a worker at the Iran Khodro car plant, prepared the ground for a well-organised attack by pro-regime 'labour' elements on a budding independent trade union.

It is clear to us that elements within the Iranian regime allowed officials of the 'Labour House' and the 'Islamic Labour Council' to attack activists trying to set up an independent trade union in Sherkat-e Vahed, a Tehran transport company. This was a violent attack, led by the Secretary of the 'Islamic Labour Council', during which an attempt was made to cut out the tongue of one of the activists. Many of the trade union activists were injured and their office was ransacked by these government-sanctioned 'labour' officials.

We hope that the solidarity of the international labour and socialist movements can put pressure on the relevant legal bodies in Iran to prosecute these individuals and disband their organisations. If elements within the Iranian government resist or hinder this process then holding a trial under the auspices of the International Confederation of Free Trade Unions (ICFTU) and similar international labour bodies in an EU country would be an important step in protecting the rights of Iranian workers.

Such a development will set a precedent so that no other group will ever attempt to force workers, their genuine representatives or independent organisations, to be afraid of carrying out their rightful activities to defend their jobs and working conditions.

- ❑ Free Sadegh Amiri and Parviz Salarvand now!
- ❑ Stop all abductions, harassment and arrests of labour activists!
- ❑ Arrest the 'Labour House' and 'Islamic Labour Council' officials now!
- ❑ Hold an independent workers' trial to bring the enemies of labour to justice!
- ❑ Disband all pro-regime 'labour' organisations!

Signed
Iranian Workers' Solidarity Network and
Workers' Action Committee (Iran)

Please send messages of support to
iwsn@yahoo.co.uk

Journalists arrested and brutally beaten in Pakistan

DOZENS OF journalists have been beaten and detained in Islamabad, with police charging the journalists in Lahore. The journalists have staged a sit-in outside Governor House in Karachi, as countrywide rallies were held in Pakistan called by the PFUJ to observe International Press Freedom Day, according to Secretary General of PFUJ, Mazhar Abbas.

The police detained leaders of Pakistan Federal Union of Journalists (PFUJ) and its affiliate Rawalpindi-Islamabad Union of Journalists (RIUJ) near Parliament House as they held a rally on International Press Freedom Day. Those arrested included the President of the PFUJ Pervaiz Shoukat, former Secretary General of PFUJ, Fouzia Shahid, and Cr. Shamsi. They were kept at the police station for over two hours and were only released after journalists staged a march from the National Assembly, which was in session.

Later, a protest meeting was held outside Parliament House, which was addressed by the opposition legislators who expressed solidarity with the journalists and condemned the government. They said the violence in Islamabad and Lahore had exposed the government's so-called claim of freedom of the press.

In Lahore, several journalists

were injured when the police baton charged the rally organized by the Punjab Union of Journalists, (PUJ), an Affiliate of PFUJ. Police blocked the rally as they tried to stage a demonstration outside the Chief Minister's house.

In Karachi, journalists and human rights groups organised a procession and staged a sit-in outside the Governor's House to condemn the violence against journalists in Islamabad and Lahore. Similar rallies were also held in other parts of the country at the call of the PFUJ.

Comrade Manzoor Ahmed, president of the Pakistan Trade Union Defence Campaign and Member of the National Assembly has been actively involved in the struggle of the Pakistani journalists for the implementation of the wage board award and other demands.

He also spoke with other opposition MPs at the protest demo in Islamabad on International Press Freedom Day, May 3rd, and vowed to continue this struggle till victory.

Please send messages of support to the PTUDC address

info@ptudc.org

to be circulated to the different journalists' organisations participating in this movement. ❑

Report by Hina,
Lahore, Pakistan



Turkish Marxist paper launched!

We welcome with revolutionary enthusiasm, the launching of the new paper *Marksist Tutum* which aims to establish a genuine internationalist position within the working class movement. We wish the new journal every success. As the editorial in the first issue proclaims: 'Marksist Tutum does not fall out of the sky in a basket; on the contrary, it comes from a long and hard struggle and it aims to strengthen the work of opening up a genuine Marxist current within the working class movement. We firmly believe that *Marksist Tutum*

will find its place in the new generation of Marxist workers and youth who have managed to rid themselves of nationalism and reformism and have grasped the lessons of the past.' ❑

Uzbekistan

The massacre in Uzbekistan and the hypocrisy of the imperialist "democrats"

by Alan Woods

The whole world has been rocked by the news of the slaughter in Andijan, where demonstrators were shot down in cold blood by the security forces of Uzbek dictator Islam Karimov. Yesterday the blood was being washed from the streets while distraught relatives were searching for bodies of loved ones in smouldering ruins, but the reverberations from these murderous volleys are still echoing.

An AFP report describes the scene after the massacre:

"Smoke billowed from a government building that burned during the night and the streets were mostly empty of people and cars. The exception was the morgue, where relatives came to look for their missing loved ones. 'I have been looking for two days for the bodies of my brothers,' said Bakhadyr Yergachyov, clutching his siblings' passports. 'They are neither at the morgue nor at the hospitals.'"

An accurate death toll from the violence is impossible to come by, as soldiers guarding the city morgue and hospitals denied entry to reporters. The military blockaded Andijan for much of the weekend and most journalists were unable to reach the scene. The government jammed foreign news broadcasts and it was also impossible to access websites. How many innocent people have been killed? A hundred? Five hundred? A thousand? No-one can say.

Despite the news blackout, there is no doubt about the scale of the massacre. AFP correspondents saw up to 60 corpses on the streets a day after the unrest. But the real figure for casualties will be far higher. According to the head of the Animokur, a local non-governmental organisation, Gulbahor Turdiyeva, five hundred bodies lay stored in one of Andijan's schools and a further 100 were packed in a nearby construction college. There have been reports of protests being brutally put down in other Uzbek towns and of troops firing on civilians as they fled into neighbouring Kirgizstan to escape the conflict.

The bloodshed started early Friday,

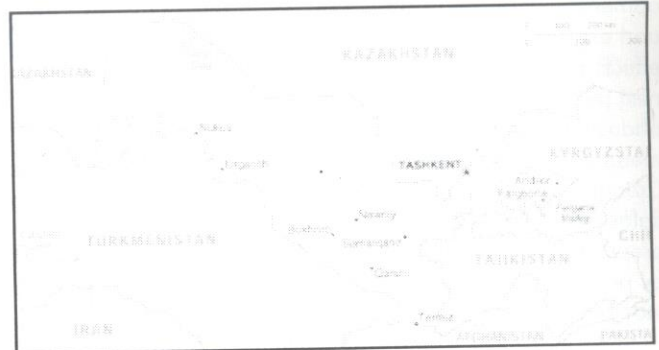
when weeks-long demonstrations boiled over. The people were protesting over a trial of 23 local businessmen - the biggest employers in the impoverished city of 300,000 - arrested on fabricated charges of belonging to an outlawed Islamic group. Such claims are a common trick used by Karimov to dispose of members of the opposition. Local people know that the charges were trumped up by officials, with the aim of seizing the businessmen's property. This was only the latest in a string of reprisals over the past year against those trying to voice political and economic grievances.

On Friday morning, crowds that included armed men stormed Andijan's jail. They knew that those arrested were facing torture and death, and were determined to release them. They released them along with some 2,000 other prisoners. Thousands of people then poured onto Andijan's main square in what quickly turned into an anti-government rally. Clashes then flared up between the security forces and the demonstrators, in which government buildings were seized and officials taken hostage.

The regime's response was swift and bloody. The army moved into the town to crush the revolt. Soldiers and tanks were deployed on the streets of the eastern Uzbek city. Witnesses said the soldiers fired indiscriminately into the crowd. They opened fire on the people, killing an unknown number.

The Bolshevik revolution and Central Asia

For all its faults, the Soviet Union succeeded in dragging these peoples out of age-old backwardness. On the basis of a nationalised planned economy, it showed the potential of a region with a rich economic potential. Soviet Tashkent, which this writer visited 35 years ago as a student, was a modern city full of edu-



cated people, engineers, teachers and scientists, with a thriving industry and commerce. What a contrast that was with the terrible backwardness of Afghanistan, Pakistan and the other capitalist countries of the region!

The destruction of the Soviet Union was a retrograde step that has had negative consequences for all the peoples of Central Asia. These Republics have all the resources to guarantee a thriving and prosperous life for all. But this colossal potential will never be realised as long as they are ruled by corrupt bourgeois regimes that plunder their economies and subordinate them to foreign monopolies and imperialist states. This is not "independence" but only a new form of slavery. On this basis there can be no way forward.

The unification of the economies of Central Asia, the pooling of their resources and economic potential is an obvious necessity, but one that can never be realised under capitalism. What is necessary is a free and voluntary socialist federation. That can only be achieved when the workers and peasants of Central Asia take power into their hands and overthrow the corrupt gangsters who rule them and exploit them. Only on this basis can the region break the chains that bind it to world imperialism and determine its own future.

The Bolshevik Revolution of 1917 was the event that showed Central Asia the way to achieve freedom and progress. The workers and peasants of Central Asia, following the example of the Russian workers, rose up against the rule of the Khans, Sirdars and mullahs and established soviet power. That was the starting point for a huge develop-

ment of the productive forces, culture and civilisation throughout Central Asia. But the marvellous achievements of the Russian Revolution were betrayed and trampled underfoot by the Stalinist Bureaucracy.

Nowhere was that betrayal of Leninism more scandalous than in the national question. In place of Lenin's internationalism, and the spirit of fraternal equality between the Soviet Republics, Stalin and his heirs introduced Great Russian chauvinism and sowed the seeds of distrust, envy and hostility between the nationalities. The poisoned fruit of Stalinism was the break-up of the Soviet Union and the wars that ensued between Armenia and Azerbaijan, in Moldova, Georgia, and, most terrible of all, in Chechnya.

The peoples of the former Soviet Republics have paid a heavy price for the betrayals of Stalinism and the capitalist counterrevolution that they gave rise to. In every one of the Central Asian Republics there were local Stalinist bureaucracies that imitated the behaviour of the new Tsars in Moscow. These little Stalins showed their real colours after the break-up of the USSR when they immediately went over to capitalism. They all set up dictatorial regimes that combined the most repulsive features of capitalism and Stalinism. They all sold out to imperialism, while playing off Moscow against Washington.

The ex-Stalinist Karimov was absolutely typical of this breed. He had been the local "Communist" Party chief, has kept himself in power through rigged elections and brute force. This is a government that is waging war on its own people. But there has been a reaction, which has become increasingly militant. There has been a wave of bombings, riots, and spontaneous protests in the former Soviet republic. The Uzbek authorities allege that Islamic terrorists are behind it all. In reality, the recent protests reflect a general mood of opposition and the discontent of a population reduced to misery and subjected to a reign of terror under a corrupt dictatorship.

"Popular discontent has been growing in Uzbekistan for a long time, mainly caused by unsolved deep social problems," says Viktor Korgun, a specialist with the Institute of Oriental Studies in Moscow. "The Fergana Valley is a knot of problems: it has the highest population density, severe water shortages, the

highest level of unemployment, and some growth of Islamic extremism. People there feel themselves in a desperate situation." (*Christian Science Monitor*, May 16, 2005)

George Bush's Hypocrisy

Last week in Tbilisi, capital of ex-Soviet Georgia, President George W. Bush triumphantly declared before a cheering crowd: "Now, across the Caucasus, in Central Asia and in the broader Middle East, we see the same desire for liberty burning in the hearts of young people. [...] They are demanding their freedom - and they will have it. [...] Freedom will be the future of every nation and every people on Earth."

A few days later the troops of the brutal dictator Islam Karimov were slaughtering hundreds of people. George Bush has a lot to say about regime change in Iraq and democracy in the Ukraine, Georgia and Belarus, but has maintained a deafening silence about the regime of terror of his good friend President Karimov. These events expose the complete hypocrisy of Washington's "democratic" demagoguery.

Why the friendly interest in Uzbekistan? The break-up of the Soviet Union has left Uzbekistan an impoverished Central Asian nation. But from the standpoint of Washington it has several interesting features, not least its location. To begin with, it is conveniently situated on Afghanistan's northern border. Karimov has been a key ally in Washington's "war on terror" ever since the eleventh of September, when he allowed America to use Uzbekistan's air-bases to attack the Taliban in Afghanistan.

The USA has a huge base in at Karshi-Khanabad, near the long border with Afghanistan, from which its war-planes can reach over vast expanses of Central Asia. It has backed the bloody Karimov dictatorship with hundreds of millions of dollars in aid - most of it military. It is true that, embarrassed by the revelations of Karimov's vicious repression, Washington cut some military and economic aid last year. But the USA stands accused of sending suspected "terrorists" to Uzbekistan, for interrogation, i.e., torture.

This is a corrupt and despotic regime that has filled the nation's prisons with political prisoners, many of whom have been subjected to the most bestial forms

of torture. This has had the effect of driving many to support the very Islamic groups the regime attacks. Human rights groups have regularly accused Karimov's government with using systematic torture in prisons and police stations. But the United States has maintained a diplomatic silence.

Russia's record is not much better than that of the USA. Fearful of radical Islamism as its war in Chechnya drags on into its 11th year, Moscow has also supported Karimov. Russia regards the Karimov regime as one of the very few post-Soviet leaders that remains its ally. President Vladimir Putin spoke with Karimov on Saturday to convey "serious concern" about the dangers of instability and Islamic resurgence in Central Asia. On Sunday, Foreign Minister Sergei Lavrov said the situation was provoked by extremist groups similar to Afghanistan's Taliban.

The authorities claimed that the defendants were leaders of a shadowy Islamic group called Akramia, named for local Muslim activist, Akram Yuldashev, who has been languishing in jail for years. Prosecutors charged that Akramia is a member of Huzb-ut-Tahrir, a pan-Islamic party based in London that calls for a worldwide Muslim caliphate. Hizb-ut-Tahrir was blamed for several deadly bombings in Tashkent last year, though the group denies any connection and says it renounces violence. On its website, it rejected allegations that it organized the uprising as "another futile attempt by a weak and ailing regime" to evade blame for its own failings.

The Institute for War and Peace Reporting, which covered the trial, said the defendants denied all charges, including the very existence of Akramia. "We were tormented morally and physically," IWPR quoted defendant Abdulbois Ibrahimov as saying in court last week. "Now we are charged with belonging to Akramia. Surely it's clear that Akramia is just a myth."

"Experts say evidence against those charged with religious extremism is often flimsy and sometimes fabricated. 'Sometimes they arrest people who have little to do with Islamic ideas, maybe because they were not supportive enough of the regime,' says Vitaly Naumkin, director of the independent Center for Political and Strategic Studies in Moscow." (*The Christian Science Monitor*)

Uzbekistan

The Economist (16 May) comments: "In 1999, bombs in the capital, Tashkent, killed at least 12 people. Last year, troops stormed a suspected militant hideout, killing up to 23 people. Islamist radicals are indeed active in the country, especially in the Fergana Valley - the volatile region in which Andizhan is situated. But not all the unrest can be blamed on them. Last year, there were big protests over draconian new laws to regulate market traders. In March, hundreds of farmers whose land had been confiscated stormed government buildings in Jizzakh province. Earlier this month, another group of farmers who had lost their land, from Kashkadarya province, set up a "tent city" near the American embassy in Tashkent.

"While playing up the Islamist threat, Mr Karimov has ignored the fact that much of the country's unrest is due to poor living standards. The government says its confiscation of farm land is justified by the farmers' failure to pay their debts. But this is due to the regime's agriculture policies, under which farmers have to buy all their supplies from the state and receive well below market prices for their produce. Economic conditions across the country seem to have deteriorated to the extent that people are now willing to risk defying the notoriously brutal Uzbek security services."

Playing on the fears of Islamic extremism, at a press conference, Karimov, as usual, blamed the violence on Islamic militants. "No one ordered security forces to fire at [the protesters]," he said. But "to accept [the demonstrators'] terms would mean that we are setting the precedent that no other country in the world would accept." But despite this bluff, Karimov's authority is clearly starting to crack under the weight of the mass protests. The Andijan massacre

may have played a similar role to the events of Bloody Sunday in tsarist Russia in January 1905.

The upheavals in Andizhan and elsewhere in the Fergana Valley come only a matter of weeks after the insurrection in Kirgizstan, following that country's rigged parliamentary elections, which forced the resignation of President Askar Akaev. He was the third long-serving leader of a former Soviet state to be forced out by "people power" in 18 months, following the uprisings in Georgia and Ukraine. Unsurprisingly, the events in Kirgizstan's revolution received little coverage in Uzbekistan's state-controlled media, which attributed the protests in the neighbouring country to "criminal elements".

On the face of it, the masses stand no chance when faced with a powerful and repressive state apparatus. But that is not the case. When a regime is in a state of crisis, undermined by inner rotteness and faced with a mass insurrectionary movement, it can collapse far more quickly than what seems possible. A corrupt and hated regime cannot maintain itself in power indefinitely on the basis of repression alone. On the contrary, every act of repression only serves to infuriate the masses who have lost their fear, and drive them to new levels of direct action, including armed struggle.

The killings perpetrated by the security forces last Friday have not served to put the lid back on. Once they are roused to action, the masses begin to feel their strength. They learn swiftly in action. They draw conclusions and prepare to take the struggle to a higher level. After the massacre, protesters are increasingly focusing their discontent on the president himself, and demanding his resignation, instead of blaming local

officials. "This is the fault of the president," Nadyr, a worker at the Andijan market, told AFP Sunday. "It is he who has reduced us to this situation and it was he who ordered the killing of the innocents."

A tense calm

returned to Uzbekistan on Sunday, but it is the calm before a new storm. No new state of equilibrium has been reached, and none is in sight. On the contrary, there must now be serious doubts about Karimov's ability to maintain his grip on power. The seriousness of the situation can be gauged from the fact that on Saturday Karimov admitted for the first time that there is corruption in government, and a lot of social problems. That is a clear sign that his regime is in trouble.

It is probable that splits will open up within the regime itself, particularly if vested interests in the political hierarchy start doubting Mr Karimov's ability to guarantee their power and privileges. The splits at the top in turn encourage the rebellion from below, which in turn tends to disintegrate the cohesion of the army, the police and the state, preparing for an overthrow.

Jack Frost "discovers" human rights

This is what determines the attitude of western governments that in the past supported him and were prepared to turn a blind eye to his crimes. They are beginning slyly to put some distance between themselves and a regime that has begun to stink in the nostrils of world public opinion and, even worse, shows no signs of being able to prop itself up. Behind the scenes the western paragons of "democracy" are rushing around looking for a substitute who can defend their interests and prevent the revolution from getting "out of hand". This is reflected in a more "critical" attitude towards the butcher of Tashkent on the part of some western leaders. They are acting on the basis of the old saying: "what do you do when you see a man falling? Give him a push!"

The government of London, which was blind, deaf and dumb concerning the numerous human rights violations in Uzbekistan, has suddenly found its voice. For the first time, Britain criticized the violence as "a clear abuse of human rights." Foreign secretary Jack Straw called on the government of Tashkent to show "greater transparency" (whatever that might mean) and more careful handling of protesters.

Probably London has been shaken by the courageous and outspoken statements of Craig Murray, the former British ambassador in Tashkent, who



was removed from his post in October because of his strong criticism of Karimov. Murray has consistently denounced the brutality of Karimov's regime and the complicity of the USA and Britain in propping it up. The former ambassador to the Central Asian country was quoted as saying London and Washington shared blame for the violence because of their support for the Uzbek regime. London, at least, has decided that it is an appropriate moment to "get out from under". But Washington shows no such inclination.

"The Americans and British wouldn't do anything to help democracy in Uzbekistan," Craig Murray told the *Independent on Sunday* newspaper. On the BBC programme *World at One* on Monday, Craig Murray blamed the West for the present bloodshed: "It is a case of too little, too late. It was the West's refusal to take a strong line on Karimov that encouraged him to put down opposition in such a bloody manner."

After Friday's bloodbath, US spokespersons called on both the government and the demonstrators to "show restraint". This is like a man witnessing a wolf savaging a lamb preaching to the wolf and the lamb to show restraint. The lamb might reasonably object that, since it, and not the wolf, was being devoured, the appeal was rather one-sided. Such hypocritical appeals, which place the victim on the same level as the aggressor, in practice serve the interests of the latter against the former.

Murray asks some very pertinent questions, such as: why does the West not call for free elections in Uzbekistan? The former ambassador argues that if the people of Uzbekistan had the possibility of expressing discontent through the ballot box they would not need to take to the streets. But the advocates of democracy in the Bush administration who are always beating the drum for elections in Iraq are not so keen to see elections in some other countries.

Washington enthusiastically greeted the revolts in post-Soviet Georgia, Ukraine, and Kyrgyzstan, but has reacted cautiously to events in Uzbekistan. White House spokesman Scott McClellan said: "We have had concerns about human rights in Uzbekistan, but we are concerned about the outbreak of violence, particularly by some members of a terrorist group that were freed from

prison."

Why does Mr. McClellan automatically assume that the prisoners were indeed "members of a terrorist group"? Because it provides a very convenient excuse for Washington to justify its continued support for Karimov. Far from desiring regime change in Tashkent, US imperialism wants to prop up the dictatorship that so considerably continues to allow it to make use of its territory and air space. The fate of 24 million Uzbeks is only so much small change in this new edition of the Great Game.

After 11 September Washington heaped praise on the Tashkent dictatorship for its backing of the US invasion of Afghanistan. They ignored all the crimes of the regime. The appeals to "democracy" therefore have an entirely relative character. Whether George W Bush stands opposed to a dictator depends entirely on whether the dictator in question is a friend of the USA or not. Cynical calculation, not love of democracy, is what governs the policies of the White House.

Turmoil in Central Asia

The real reasons for the mass discontent are to be found, not in the intrigues of religious fanatics but in the objective conditions facing this nation of 26 million people. Living standards collapsed after the fall of the USSR. Millions have been reduced to extreme poverty. Unemployment has rocketed. In addition to this there is the international context. The general world instability has spread to Central Asia, where it is unsettling one regime after another. The popular revolt in March in neighbouring Kyrgyzstan is having a domino effect that can lead to the overthrow of all the regimes of Central Asia.

The insurrectionary movements in Uzbekistan are clearly inspired by the revolutionary movements in Kyrgyzstan. Andijan is just 24 miles from the Kyrgyz town of Osh, where the revolution that overthrew President Askar Akayev began.

But whereas Washington gave cautious (and unenthusiastic) support to the changes in Kyrgyzstan, it will not be at all happy about a regime change in Uzbekistan, which it sees as a threat to its vital strategic interests in Central Asia. However, its interference has itself served to unleash a wave of instability

and prepare new explosions, the results of which are incalculable.

As I write these lines, hundreds of Uzbeks are reported to be fleeing from the fighting, trying to cross the border into Kyrgyzstan. Uzbekistan's eastern neighbour reopened its border Sunday and set up a refugee camp that had already taken in some 900 Uzbeks fleeing unrest in their country. Some of those entering the refugee camps are wounded; bearing witness to the ferocity of the repression. But the struggle is not over. It has only just begun. The massacre at Andijan will have caused a wave of revulsion in Uzbekistan and the neighbouring republics. After a temporary lull, there will be new explosions that will shake the whole region.

If a revolutionary party and leadership existed the conditions would be present to transform the revolutionary movement of the masses into a classical proletarian revolution. Unfortunately, in the absence of the subjective factor, there is a danger that the leadership of the movement will fall into the hands of Islamic fundamentalists and the movement can be led into a blind alley. Vitaly Naumkin warns: "If the regime crumbles, it's quite possible that Islamist elements will come to the fore in Uzbekistan. No one can imagine a liberal democracy of the Western type emerging there."

If this happens, the blame will fall on the shoulders of Karimov and his backers in Washington. For years the threat from Islamist extremism in Uzbekistan has been greatly exaggerated to justify the actions of the Tashkent government. Every time there is repression, Karimov accuses the opposition of being Islamic extremists. In the end, this will play into the hands of these very people.

In the absence of a revolutionary party and leadership, power may pass to a supporter of the current regime, some general or gangster chosen from among the country's dominant clans. If so, there will be no real change, just a reshuffle at the top and a redistribution among the elite of the spoils of power. This would do nothing to alleviate the growing economic and social problems of a population that has been roused out of its apathy and is increasingly willing to challenge those in authority. No real stability is possible on this basis. New crises, upheavals and struggles would be on the order of the day. □

Bangladesh and the World Bank

by Jamil M. Iqbal

A PARLIAMENTARY watchdog [of the Bangladeshi parliament] has cleared a controversial bill seeking blanket immunity for international lending agencies operating in Bangladesh - the World Bank and the International Monetary Fund. The International Financial Organisations Order (Amendment) Act 2004, piloted by the finance and planning minister, M Saifur Rahman, protects these institutions from any legal challenges against their operations in Bangladesh.

The bill states the following: "The Bank shall enjoy immunity from every form of legal process..." It also says "no action shall be brought against the Bank, by any agency, or by any entity or person, and there shall be recourse to such special procedures for the settlement of controversies between the Bank and the government or the agency or entity or person as the case may be." And it goes on, "Property and assets of the Bank shall, wheresoever located and by whomsoever held, be immune from all forms of seizure, attachment or execution, before the delivery of final judgement against the Bank."

Such coverage includes immunity from actions brought by members or persons. Its assets and property are also immune from all forms of seizure, attachment or execution before the delivery of final judgement against the Bank. No legal action is allowed against the activities of any employee if he or she does so at the directive of the Bank. No immigration-related rules are to be applicable against the foreign staff of the Bank in Bangladesh. In an explanatory clause, the bill included the International Development Association, International Bank for Reconstruction and Development, and International Monetary Fund in the immunity measures.

Why is the government of Bangladesh so eager to pass this bill through parliament? The issue of immunity originated after one of its employees, Ms Ismet Khan, of the Bank filed a case against it in the local court of Bangladesh in 2001 for arbitrary and unfair dismissal as External Affairs Officer of the World Bank's Dhaka

office. The Bank also violated a previous court injunction and appointed Ms Khan's predecessor to her position, with complete disregard for the laws of the land.

Paradoxically, while the Bank is preaching so-called "broad based reforms" to its member countries, it turns a blind eye to irregular practices within the Bank itself. Ms Khan was compelled to file her case in the courts of Bangladesh in 2001. At first, the World Bank ignored summonses and fourteen dates to appear in court. Then it engaged lawyers to claim that it was "immune" from the legal process and implored the authorities to reject her case. Eventually, it forced the government to intervene in the case and defend the Bank's interests in the court - a highly "illegitimate" and even illegal request from many points of view.

So much for transparency! The World Bank does not want to be held accountable to anyone, although it demands accountability from its client countries. Granting immunity to the World Bank and the IMF means giving it free-rein to do whatever it wants in Bangladesh. It will put the local government completely at the mercy of these bodies. To a degree they already are in this position, but this bill actually legalises this relationship.

• "Third World" countries

The new bill confirms the utter helplessness of the so-called "Third World" countries. Any World Bank or IMF official will be free to do as he or she wishes and will remain free from prosecution. Any Bengali employee unjustly treated or dismissed by any of these organisations will simply have to accept his or her fate.

The World Bank's motto is "Our dream is a world without poverty." It employs over 10,000 people in more than 100 offices throughout the world with an annual budget of \$1.5 billion. However, contrary to its motto, according to the Index of Economic Freedom, the Bank's money has done nothing to improve the living conditions of the countries it "donates" money to. These

same countries are just as poor as they were 40 years ago when they started receiving loans from the World Bank.

Bangladesh is in fact the World Bank's third highest recipient of funds. This actually goes against the World Bank's own lending criteria. Bangladesh is now the world's most corrupt country according to Transparency International (TI), a position it competes for with other countries such as Pakistan and Nigeria. In fact corruption is so high in Bangladesh that it caused a loss of economic activity equivalent to 4.7 percent of GDP in 2001 alone. The World Bank's International Development Agency has lent Bangladesh \$9.914 billion dollars since 1973. In spite of all this money - or better, partly thanks to it - Bangladesh is the world's third poorest country. So much for "a world without poverty."

Up to 1.28 billion people around the world are living below the poverty line. This is the figure the World Bank provides in its World Development Report, 2000. Almost 72 percent of these poor people live in Asia and about half of the one billion Asian poor live in South Asia alone! And Bangladesh is one of the poorest countries within this poor continent. One man in two is considered poor in Bangladesh, according to World Bank definitions, i.e. living on less than \$1 a day. This is quite an arbitrary figure. What happens if you are living on more than \$1 a day but less than \$2? In spite of its shortcomings, however, it does allow for some form of comparison between the levels of poverty in each country.

In Bangladesh this 50% of the population officially classified as poor are the most downtrodden sections of society. They have no real income, no wealth, no access to education, social security and, most importantly, they have no access to political power. They are at the bottom of the ladder, in an intrinsically unequal society.

At present it would seem that the World Bank is very anxious about poverty in Bangladesh. Now donors no longer give grants or untied aid. Most of the loans from the World Bank are either for a particular project or based

on one or another strategic policy such as SAPs (Structural Adjustment Programmes). But the SAPs have miserably failed not only in Bangladesh but in many countries of Asia and Africa. The main planks of these SAPs are:

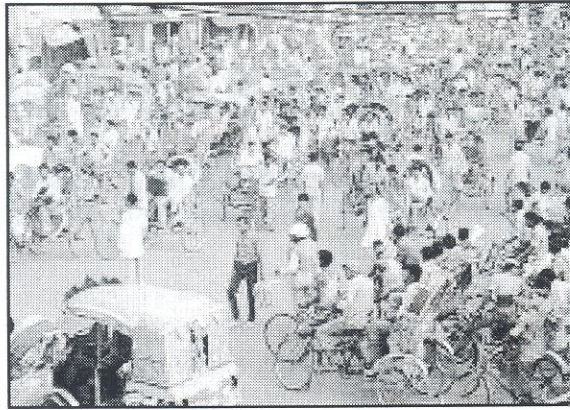
1. Wholesale privatisation of industries and major utilities, such as water, electricity, gas, railways, ports, etc.
2. The blanket application of the so-called "free market policy", which practically means a unilateral cancelling of all tariff and non-tariff restrictions by the country receiving the loans.
3. Withdrawal of all kinds of subsidies in the name of "efficiency".
4. Drastic cuts in government spending in order to ensure so-called "macro stability" of the economy.

An SAP was introduced in Bangladesh in the mid-eighties when the country was under a Martial Law Regime led by General Ershad. Later, in 1990, General Ershad was forced out of power by a mass upsurge of working people, the backbone of which was the united movement of blue and white collar workers, students and agricultural labourers. In spite of that movement, the SAP is still in place. At present it is going through its last phase whereby all the remaining industries in the state sector, whether profitable or not, are to be privatised.

There is also very big pressure on the government to break up the BPC (Bangladesh Petroleum Corporation). The purpose of this is to put the oil and gas industry in the country at the mercy of the big multinational corporations. Similarly the United States are applying big pressure to get the Chittagong Port handed over to a US based company.

The incredible thing is the result of a recent official process of evaluation of the SAP. All the so-called "stakeholders", including the World Bank itself, took part and the conclusion was negative! These "stakeholders" even demanded that the World Bank should pay compensation for imposing harmful policies that have provoked a slump in the economy, increased poverty and unemployment and caused mass discontent in the agricultural sector through the withdrawal of subsidies.

Some of the statements issued by this "stakeholders" investigation are quite humorous. They recognised that nobody actually "owns" the SAP! The



Minister confessed they had been pressurised into accepting the SAP, otherwise loans or grants, whatever little that was coming, would have been stopped.

Given the real concrete results of these policies, the World Bank has had to recognise the failure of the SAP, at least partially anyway. But they tried to put the blame solely on the Bangladeshi government. According to them the government has not been sufficiently "committed". This of course is not true. What is true is that the World Bank can pontificate from on high, but the government has the unfortunate position of actually having to sell these policies to the Bangladeshi masses!

Even the World Bank, however, has some insight on the effects its own policies are having on the poor masses. They therefore recognised the need for some safety measures to offset the so-called pains of the "reform process". But this comes in the form of a so-called Poverty Reduction Strategy Paper (PRSP).

The World Bank is now insisting that Bangladesh and many other "highly indebted countries" will have to prepare a PRSP within a certain time limit and then submit it to them for a preliminary evaluation. Then they will in turn forward it to the September meeting of the member states of the board of directors of the World Bank for their final approval. Until then all so-called "soft loan options" will be withheld.

Ever since the birth of Bangladesh back in 1971, in spite of so-called "aid" from the World Bank and other international financial institutions, none of the basic problems of society have been solved. On the contrary things have deteriorated and continue to do so.

Crime levels have rocketed. The vulnerability of the poor and the weaker layers of society has increased enormously. The phenomenon of "Mastanocracy" (political gangsterism)

has increased enormously. In fact the establishment's political parties have become more and more alien to the masses with their activists behaving like gangsters. The local government bodies, and especially the police, have become totally unaccountable.

Healthcare has deteriorated, as has education. Good clean water and electricity supplies are scarce. The roads are in a state of terrible disrepair. Agriculture is lagging way behind in terms of investment and productivity.

Social inequality has massively increased, with the gap between the rich and poor getting bigger instead of smaller. Regional inequality is increasing, as is the gap between the rural and urban areas. In fact a volcano is building up from below and will sooner or later erupt.

The only way out

The only answer to the above problems is to start with a revolutionary redistribution of wealth and power from which will follow an egalitarian growth or pro-poor growth within society. The extreme neo-liberal policies of the World Bank are a product of capitalism in a period of global economic decay.

Therefore, any effective fight against the World Bank must be linked to building a powerful movement against capitalism itself, and to replace it with an alternative system. We believe the only viable alternative is socialism. How else can we control the multinationals' pollution of the globe? How else can we ensure that the peoples of the world have enough to eat? How else can we end the domination of the poorest countries of the world by the multinational companies that have distorted and destroyed their local economies in search of global markets and cheap raw materials? How else can democracy be defended and expanded in the face of the huge media machinery which now straddles the globe?

All this can only be achieved through a genuine coming together of the working people of the globe based on mutually supporting economies controlled by the workers themselves. In other words, we need to fight for global socialism. The task may be big, but the time is right. □

Afghanistan

by Lal Khan

AFTER THREE and a half years of US occupation, peace, stability, and freedom are restricted in the presidential enclave behind huge concrete blocks in Kabul. Here is where Mr. Karzai resides. American mercenaries guard him, advised or dictated to, whatever you may call it, by American diplomats and instructed by the State Department in Washington.

Occasionally the US ministers, officials, Senators, congressmen, and diplomats pay visits to Kabul to inspect the job they have assigned to this stooge. These breeds of new Afghan leaders are trying to bleed the country's already depleted resources after decades of devastation and ravages of war. Before the overt US invasion of Afghanistan in 2001 US imperialism had been trying to destabilize and destroy this tragic country through covert operations for decades.

After the 27 April 1978, Saur (spring) revolution in Afghanistan, feudalism, obscurantism, trade of women and ruthless exploitation by a minuscule capitalist elite were threatened. The new regime of the PDPA led by Nur Mohammad Tarakai was making drastic land reforms, banning usury and flesh trade and was trying to overthrow the rotten semi-capitalist, semi-feudal system in Afghanistan. These evils were the cornerstone of US imperialist hold on Afghanistan. Hence the CIA launched its largest covert operation in modern history to overthrow the left-wing regime and destabilise Afghanistan. They used sabotage and tried to destroy the already weak and destabilised infrastructure of Afghanistan.

They set up terrorist in camps in Pakistan's North Western region and in the tribal areas bordering Afghanistan. These Islamic fanatics were sent into Afghanistan to carry out acts of terrorism and cause mayhem and destruction. Massive amounts of money and arms were pushed in to prop up this reactionary insurgency. To finance this the Saudi oil revenues were also utilised to a large extent. Similarly one of the

Aggravating misery under imperialist occupation

Saudis recruited by the CIA to fight this Afghan Jihad was Osama Bin Laden. As in all other operations, the CIA used drug smuggling and other criminal methods to sustain the finances of this Jihad. Hence the destruction of Afghanistan in the 1980s attributed to the PDPA governments by the western media is not only a blatant lie but it was exactly the opposite. While the left-wing regime in Afghanistan was trying to build the country, the American and the reactionary forces of Islamic fundamentalism unleashed by the imperialists were trying to devastate Afghanistan.

It is also true that the Taliban, now so much ridiculed by the western media and demonised to terrorize the workers, especially of the advanced capitalist countries, were in reality sponsored and propped up by the Americans and their multinational corporations especially the oil giant UNOCAL.

The conditions of the Afghan masses after the overthrow of the Taliban and the US invasion have further deteriorated.

Poverty, deprivation, hunger, disease, and misery stalk the land. There are constant reports of starvation, and deaths due to cold weather are rampant. The picture being painted by the NGOs is a deceptive one, as the mass of the population still has no access to clean drinking water, sanitation, hospitals, dispensaries, and schools.

Under Taliban rule Afghanistan had 4,163 acres planted with poppies. Under General John Abizaid 510,766 acres in Afghanistan are being used for poppy cultivation (both figures from the White House Office of National Drug Control Policy). The Taliban produced 40 metric tons of opium, or the equivalent to five metric tons of heroine. Under the commander-in-chief of US Central Command, Afghanistan produces 5000 metric tons of opium or the equivalent of 600 metric tons of heroine.

In 2001 Afghanistan's entire heroin stock was worth \$600 million on the streets of Frankfurt and Rotterdam. Last years crop could fetch upwards of \$50

billion on the same streets. This is roughly two thirds of Pakistan's annual GDP. Afghanistan has six neighbours, Pakistan, Tajikistan, Iran, Turkmenistan, Uzbekistan, and China. Of the six the Pakistan-Afghan border -at 2,430 km-is the longest and most porous. According to Major General Nadeem Ahmed, director general of Pakistan's Anti Narcotic Force (ANF) some "70 percent of narcotics manufactured in Afghanistan [are] either smuggled to, or transited through Pakistan".

Heroin and the CIA

Afghanistan's heroin is the purest there is and it remains its alternative currency. Warlords, farmers, and traders all store heroin as others around the globe stash money in the banks. Hamid Karzai may be the ruler of Kabul but drug barons, closely allied to the American forces, are the real rulers of Afghanistan. The White House office of National Drug Policy (a component of the executive office of the president) says, "little Afghan heroin has ended up on US streets, with most Afghan heroin marketed to neighboring countries and Europe." Once again, as was the case during the reactionary covert war against the PDPA government, CIA assets in Afghanistan now control the Golden Crescent's heroin trade.

In these conditions there is hardly any possibility of stability and development. The so-called "loya jirga", the medieval congregation of pre-feudal times is far from being any semblance of democracy. It comprises of warlords, feudal landowners, tribal chieftains, drug barons, Mullahs, remnants of the monarchy and of course western trained businessmen who are there to promote the vested interests of imperialist multinationals. Most of these businessmen have come to Afghanistan on the payroll of these companies and their families still reside in Europe and America.

Those who have advocated a stable Afghanistan under UN auspices after imperialist invasion have been proved

to be entirely wrong. Far from being a democratic stable and liberal society, there is a continual spate of violence. There are conflicts between different landlords, drug barons, and the Taliban. The Taliban far from being obliterated started a radio station on April 19th. Mullah Omar and Bin Ladin are still at large and the Americans are trying to negotiate with sections of the Taliban.

Karzai has little or no writ beyond central Kabul. It is not accidental that he has requested a long-term security treaty with the Americans. According to this proposed agreement the US forces are being requested by the Karzai government to stay in Afghanistan for decades. The Europeans are not very keen on it, nor are the Americans. But like in Iraq they are trapped in Afghanistan. A US withdrawal would mean the immediate collapse of the puppet regime in Kabul and Karzai might flee with the departing American troops.

What has been decisively proved in the last three and a half years is that the imperialist occupation has brought more death and destruction to Afghanistan than the democracy and stability they had promised. The elections held earlier this year were a total sham.

Hence, under the present paralytic capitalism, the drug economy and the pre-medieval tribalism, the perspectives for Afghanistan are of more bloodshed and turmoil. There is a seething hatred against imperialist occupation that further aggravates the security situation.

The April 1978 revolution was a tacit vindication of the fact that democracy cannot be sustained and cannot flourish in the primitiveness of Afghan society and the semi-feudal and semi-capitalist forms of economy. But the PDPA leaders had a nationalist approach, rather than a Marxist internationalist approach. The soviet intervention further complicated things for the Afghan Stalinists and the internal crisis of the regime was a major factor that led to its collapse.

A couple of months after the Afghan Revolution discussing the policies and strategy of the "communist party" government, comrade Ted Grant wrote in the summer of 1978:

"The tribesmen will be influenced by the process taking place among their brothers across the borders. On the North West frontier of Pakistan and among the Baluchis there is already

endemic and simmering revolt, with these peoples looking towards a unity with their brothers in Afghanistan. The effect would be in widening circles, the repercussion of which could be felt in Iran and further a field, also in India.

"This is the road that the 'Communist Party', which holds power together with radical officers, will take. The opposition of the old force in Afghanistan, as in Ethiopia, will in all probability impel them in this direction.

"If they temporize, possibly under the influence of the Russian ambassador and the Russian regime, they will prepare the way for a ferocious counter-revolution based on the threatened nobility and the mullahs. If successful, counter-revolution would restore the old regime on the bones of hundreds of thousands of peasants, the massacres of radical officers and near extermination of the educated elite. For the moment - until there is movement of the only advanced class which can bring a transition moving in the direction of socialism in industrially developed countries - the most progressive development in Afghanistan seems at the present time to be the installation of proletarian Bonapartism.

"While not closing our eyes to the new contradictions this will involve, on the basis of a transitional economy of a workers' state, without worker's democracy, Marxists, in a sober fashion, will support the emergence of such a state and further weakening not only of imperialism and capitalism but also of regimes basing themselves on the remnants of feudalism in the most backward countries."

How intensely this perspective has been vindicated by the subsequent tragic events. Had the PDPA regime appealed on a class basis to the workers of Pakistan, Iran and elsewhere to support the revolution, the CIA sponsored insurgency could have faced a stiff resistance by the mass movements, especially in Pakistan from where it was being launched.

Today the ordeal of the Afghan masses goes on unabated. It is not just the Americans, but also the Indian, Pakistani, Russian, French, Iranian, and even the Chinese rulers, who are playing the new great games, like vultures on the brutalized body of Afghanistan.



The only way out of this centuries long suffering of the Afghan masses is a revolutionary solution.

However this revolution is inextricably linked to the revolutionary perspectives in the neighbouring countries, especially Iran and Pakistan. A new generation of youth has grown up. They have seen the horrors of the Taliban regime, the civil war and the brutalities of the American invasion. They are looking for a way out.

Afghanistan historically had a strong left movement. It was not an accident that without the information, and against the will of, the Stalinist bureaucracy in Moscow the revolution took place in Afghanistan in April 1978. However distorted that revolution was; its reforms and other steps against capitalism and obscurantism have left a mark on the memories of the subsequent generations.

Revolutionary Upsurge

The youth is yearning for a change and a revolutionary upsurge of the youth in the so-called barbarous Afghanistan can surprise many. Such a movement would not only force the imperialist occupiers to abdicate Afghanistan but could link up with the revolutionary movement of the masses in Iran and Pakistan, with whom they have historical, social and cultural links.

Similarly a revolutionary upsurge and the attainment of a mass base by the Marxists in Pakistan and Iran could influence the processes in Afghanistan and stimulate a revolutionary upheaval there. Without a socialist revolution not a single problem can be solved, nor can Afghanistan be brought out of the dark ages and primitiveness, into which this system has plunged this land and peoples at the dawn of the twenty first century. □

The Apprentice

by Helen Searle

REALITY (car-crash) TV has been around for long enough that producers have been able to formulate some rules for it. Not rules of basic human decency, obviously, but a rough set of parameters to make sure that anyone watching it won't be able to help tuning in to the next episode but will feel really, really bad about themselves in the process. It's got to be based on a very simple idea, a primal impulse like physical survival or a sentiment like greed which everyone can understand. It's got to be brutally competitive, with the worst performer each time being removed unrewarded. It's got to feature unpleasant, unjustified personal abuse from the co-ordinator which the contestants can't reply to without getting thrown out.

In other words it's tailor-made for free-market capitalism.

The premise of "The Apprentice" is straightforward, if deeply bizarre.

Fourteen people who have already forged successful careers (sorry, the

Jargon catching) in the for-profit sector apply for one job. This may sound like a re-run of "The 1930s, last shown in the 1980s, but wait, this is no ordinary job: the lucky winner will become an apprentice to the self-made, hard-working, ambitious, insert adoring adjectives of preference here, entrepreneur Alan Sugar, at a salary of \$100,000 p.a. with excellent prospects of advancement. (Whether this position will be financed by the Modern Apprenticeships scheme is left unclear, but given the Government's predilection for chucking money at the private sector...)

Every week applicants are divided into two teams, which compete with each other to make the most money out of a given situation by using any dirty trick they can think up. (Any of this sound familiar?) The losing team are subjected to a barrage of collective and individual insults by their prospective boss

before he ve-ry slow-ly singles out one to leave. I found myself day-dreaming about what might happen if they formed a union and voted to walk out unless he bloody watched his mouth.

The apprentice was duly chosen and appeared on a follow-up discussion programme with his new employer, asserting that anybody can do anything they want if only they give it 100%, the kind of statement against which the gods themselves labour in vain. The mutual back-slapping session which provided the only hint of solidarity in the whole adventure included plenty of boasting about skills such as "teamwork" "initiative" and "getting the job done" which ordinary workers use without fanfare every day of their lives. A new series is planned for next year, God help us.

This is the problem with the capitalist system. It sets individual ambition above anything else; you can do it if you try hard enough. Maybe other people can't, but you can, you're special, you give it 100%. You don't want to associate with losers like them. They're missing the point when they ask for better conditions and a living wage, they could get all that if they gave it 100%.

You'll rise above them, and if you trample on a few of them on your way to the top of the food chain that's their problem. I did it, you can do it if you try hard enough. Harder than that. Come on, try. And so we're tricked into chasing our little individualist rainbows, convinced that the big pot of gold will be mine-all-mine, and the people in charge count their money and laugh quietly.

"The Apprentice" isn't as inspiring as its makers claim, but it's a magnificent scale model of capitalism in action. A video of the series would be the ideal accompaniment to a copy of Capital as a present for a loved one; self-improvement is all that's standing between them and the throne, isn't it? □

Dear Socialist Appeal,

LABOUR'S VICTORY at the polls was described as historic due to the fact that it is the first time that Labour has won a general election three times consecutively. This should be cause for celebration. However, Labour's reduced majority caused by a layer of former Labour voters voting Lib Dem has changed the correlation of forces inside the Labour Party.

Labour was elected in spite of Blair rather than because of him. Iraq has come back to haunt Blair and calls for Blair to resign are growing by the day. The election of Law in Gwent and Galloway in Bethnal Green are strong indicators of a swing to the left amongst traditional Labour voters.

Whatever the reason Blair may leave office within a relatively short period with a view of handing over power to Gordon Brown. Brown is seen as a vote winner because he is (falsely) seen by many to have resolved the boom-slump cycle of capitalism. The long economic boom based upon credit and booming house prices which is the basis for Labour's third victory is drawing to a close.

Many observers are now drawing the conclusion that the leadership will increasingly clash with its own backbenches over attacks on incapacity benefit, creeping privatisation of public services and anti-terror legislation - not forgetting the continuing occupation of Iraq. *Socialist Appeal* has always maintained that the fight for socialist ideas will take place within the labour movement and not by creating rival organisations that aim to replace Labour. The attempt to forge new groupings has failed miserably. Law and Galloway's election is a product of a struggle within Labour and they will return to Labour when the movement return to its socialist roots.

Yours Fraternally

M. Langabeer

(RMT member, personal capacity)

Read *Socialist Appeal's* full election analysis online at www.marxist.com

Or buy a copy of *What Is Happening In Britain* by Phil Mitchinson - including *The General Election of 2005 - Results and Prospects*. The price is £1, order online or from the usual address, to which you can also send us your letters and articles for publication.

**Socialist Appeal, PO Box 50525
London, E14 6WG.**

United Against Profiteers Wrecking Football

by Steve Jones

TOWARDS THE end of last year, a seminar was held under the grand title of 'The 3rd annual European Football Finance forum.' And what important tactical questions was this august body discussing? 'The road to recovery: Achieving growth and stability in football.' The official blurb then explains: 'The nature of European football finance has changed dramatically in recent years..., the industry must now re-emerge and sustain a period of stable growth and economic prudence.

'The ...Forum will play host to an expert line-up of clubs, banks, associations and analysts who will aim to provide solutions to football's heavily documented problems, such as the viability of the football business model, spiralling costs, financial transparency and the reliance on TV revenues.' A glance down the agenda reveals endless reference to things like 'revenue streams', 'player branding' (ouch!) and 'New and innovative financing solutions and predictions for future investment trends

With admission costing over a £1000 a ticket, even higher than what it costs to get into Stamford Bridge, you can safely assume that not too many fans would be turning up. No, this meeting was for the money men who have been circulating around football for sometime.

In England the biggest money pot of all has long been Manchester United. And for some years now we have seen various attempts by one party or another to grab hold of the club. With Deloitte and Touche ranking Manchester United as the world's richest club for eight years in a row, it is an attractive target. Now a predator has struck. US tycoon Malcolm Glazier has grabbed control of over 75% of the club's shares - he can now, if he wishes, delist the club from the stock exchange and if he can get over 90%, take total ownership forcing all remaining shareholders to sell. But why should a man who knows little about football, and cares even less, be forking out £790 million to grab this club? And what are the consequences?

Well before looking at that we need to review the background a little bit more.

The establishment of the Premier League, a renaming of the old First Division, in the early 1990s opened up a period of naked commercial exploitation. The new league exists to maximise the profits and commercial potential of the richest clubs at the expense of the rest. Central to this are clubs like Manchester United. Originally owned by the Edwards family, who had made their money by selling dodgy meat in Manchester, they made a wad by turning the club into a plc and floating it on the stock exchange. An aggressive marketing drive by the self-styled biggest club in the world opened up new markets both at home and abroad. New TV rights, linked to the growth of satellite broadcasting, added massively to the bank balances of clubs like Manchester Utd. Strategists have begun talking about an unholy alliance between football and the sportswear giants which could exploit worldwide markets in a way that no other sport ever could. This is what has caught the eye of Malcolm Glazier and others like him.

Show me the money

Glazier already owns US grid-iron franchise the Tampa Bay Buccaneers and has done well financially out of them. But American football enjoys virtually no interest outside the USA whereas soccer is popular everywhere. Early indications are that Glazier will do the same things at Manchester Utd as he did at Tampa Bay. There ticket prices shot up as did the prices of merchandising, season tickets, etc. Glazier will also have noted that whereas in America the clubs are firmly under the control of the game's governing body, the same does not apply here. The ruling bodies of football - the FA, UEFA etc - are all united in being toothless defenders of the game who cave in at every opportunity in the face of pressure from the rich clubs especially. Manchester Utd have benefited more than most from this state of affairs. The supposed guardians of the game have aided and abetted in the



transformation of football at the highest level into a major source of income generation at the expense both of supporters and the rest of football. As money has flowed into the top flight so it has drained away from the lower leagues. Here we have seen a pattern of decline, of staff and player cutbacks and general neglect. But who cares about them - instead it's show me the money!

So Glazier will set about getting his cash back by one means or another. Nothing will be sacred. Best of all, the huge debt that Glazier has incurred by buying a controlling share of the club can now be passed onto the club for it to service. Since the annual repayments will be higher than the currently generated profit levels of the club, it does not take a financial wizard to work out that profit margins will need to be expanded by one means or another. Either income must be increased or costs cut or probably both at the same time.

Glazier was not the first wealthy man to grab hold of a club for his own ends and he won't be the last, unless something is done about it. Many in the game including supporters are now asking for clubs to be protected from such raiding parties, especially where they are plcs. But the problem is more fundamental than that. Football clubs are an important part of the fabric of local communities yet they all function as companies just like any other factory or firm. They should be taken out of private ownership and passed over to the control of representatives of supporters, players and the local community, there to serve the people not the shareholders of assorted multinationals. If this is not done then the game will move further and further away from working people and will become just another set of profit and loss charts. □

fighting fund

Your Support Needed

IT MAY have escaped your notice but one so-called flagship privatisation project has actually just hit the rocks and been cancelled... albeit in Tanzania, Africa. The Tanzanian government has terminated the contract of a firm called City Water, a joint project of the UK firm Biwater and a German company Gauff, who were supposed to be laying new pipes to bring clean water to the capital city, Dar es Salaam. Biwater are none too happy with this knockback even though they have not somehow got round to laying a single pipe yet.

Still, a lot of money has already come their way, including cash from the World Bank and the UK government who are helping to fund all this. Oddly enough, to prepare the ground for privatisation in Tanzania, the British government found £500,000 of aid money to hand over to an organisation called Adam Smith International (linked to the right wing institute of the same name) who in turn forked out on producing a flash video as part of a campaign to con the Tanzanian government into believing that privatisation was the way forward to a land of milk and honey. Evidently Adam Smith International has picked up over £36 million from the UK government to fund their various propaganda schemes.

Yes, privatisation is a wonderful scam in which billions of pounds flows from the public purse into the hands of assorted con merchants who then produce crap schools, buildings, hospitals and so on - making a mint and if things don't work out throwing the problem back to the public sector at no loss to them. Tough luck on the people of Dar es

Salaam who have no decent drinking water but that's capitalism for you!

Now how does that make you feel? Angry? Depressed? Wanting to do something about it? Reports similar to that above appear almost everyday in the national press yet they can provide no solution. This is why we produce *Socialist Appeal* - to explain but also to point the way forward. If you believe that socialism is the only way to stop these scams being carried out in places like Tanzania, often backed up with defacto blackmail from the IMF, then you need to lend your support to what we are trying to do. The journal, the leaflets, the pamphlets, the books, the websites, etc.: all this needs money to keep going. Since the government will not be bunging us £36 quid, let alone £36 million, it's all down to you - we need your donations.

We still have around £1500 in outstanding IOUs due from our big collections in March/April where, over the two months, we realised £2500 in hard cash. So lets get moving on this. Otherwise we will have only received a few hundred pounds during May, and we need more.

We will be at all the main union conferences this month coming, so lets hope we get some good donations from trade union activists who see the importance of a socialist struggle inside the movement to defeat neo-liberalism and Globalisation. Donations however small are more than welcome and should be sent to us (made payable to Socialist Appeal) at PO Box 50525, London E14 6WG.

Thanks in advance!

Steve Jones

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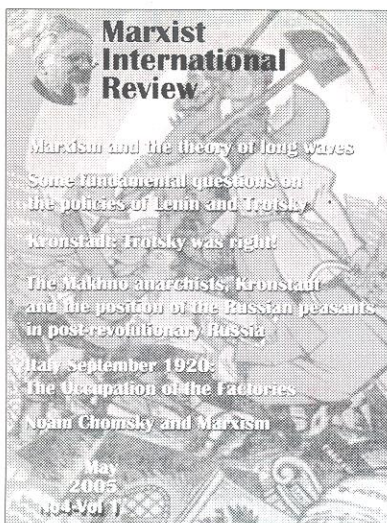
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noticeboard

June 2005

Labour Representation Committee

'Time for Real Labour' -

A post-election conference for the Labour Left

10am - 4pm, Saturday 16th July, 2005

TUC Congress House, Great Russell St, London WC1

Nearest Tube: Tottenham Court Road

Speakers include: Tony Benn, Jeremy Corbyn, Jeremy Dear and Paul Mackney.

What is happening in Britain?



Postscript: The General Election of 2005
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A Socialist Appeal publication

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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.

✚ **A national minimum wage of at least two-thirds of the average wage.** £8.00 an hour as a step toward this goal, with no exemptions.

✚ **Full employment!** No redundancies. The right to a job or decent benefits. For a 32 hour week without loss of pay. No compulsory overtime. For voluntary retirement at 55 with a decent full pension for all.

✚ **No more sell offs.** Reverse the Tories privatisation scandal. Renationalise all the privatised industries and utilities under democratic workers control and management. No compensation for the fat cats, only those in genuine need.

✚ **The repeal of all Tory anti-union laws.** Full employment rights for all from day one. For the right to strike, the right to union representation and collective bargaining.

Election of all trade union officials with the right of recall. No official to receive more than the wage of a skilled worker.

✚ **Action to protect our environment.** Only public ownership of the land, and major industries, petro-chemical enterprises, food companies, energy and transport, can form the basis of a genuine socialist approach to the environment.

✚ **A fully funded and fully comprehensive education system under local democratic control.** Keep big business out of our schools and colleges. Free access for all to further and higher education. Scrap tuition fees. No to student loans. For a living grant for all over 16 in education or training.

✚ **The outlawing of all forms of discrimination.** Equal pay for equal work. Invest in quality childcare facilities available to all. Scrap all racist immigration and asylum controls. Abolish the Criminal Justice Act.

✚ **The reversal of the Tories' cuts in the health service.** Abolish private health care. For a National Health Service, free to all at the point of need, based on the nationalisation of the big drug companies that squeeze their profits out of the health of working people.

✚ **Reclaim the Labour Party!** Defeat Blairism! Fight for Party democracy and socialist policies. For workers' MPs on workers' wages.

✚ **The abolition of the monarchy and the House of Lords.** Full economic powers for the Scottish Parliament and the Welsh Assembly, enabling them to introduce socialist measures in the interests of working people.

✚ **No to sectarianism.** For a Socialist United Ireland linked by a voluntary federation to a Socialist Britain.

✚ **Break with the anarchy of the capitalist free market.** Labour to immediately take over the "commanding heights of the economy." Nationalise the big monopolies, banks and financial institutions that dominate our lives. Compensation to be paid only on the basis of need. All nationalised enterprises to be run under workers control and management and integrated through a democratic socialist plan of production.

✚ **Socialist internationalism.** No to the bosses European Union. Yes to a socialist united states of Europe, as part of a world socialist federation.



Socialist Appeal

Marxist voice of the labour movement

UNISON 2005: TIME TO FIGHT LOW PAY

SINGLE STATUS, like Agenda for Change in the NHS, was nominally devised as a way to solve all the problems of pay discrepancies in local government. Central among them was unequal pay for men and women doing the same jobs or working at a similar level.

It was drawn up in 1997 in response to a successful Equal Value claim, which saw a small group of women nursery nurses in Gloucester receive a £9,000 pay increase backdated two years. This increase brought them level with the council's, mainly male, architectural assistants, which the tribunal deemed to have a comparable level of qualifications, experience and responsibility.

The successful claims in Gloucester caused panic among local government employers. They called in the unions who agreed to a moratorium on Equal Value claims while they negotiated a new pay system that was going to solve low pay. This was a shameful act on the union's part because the deal that they finally agreed does little to solve the problems of underpaid women workers while imposing massive cuts on others.

Because there is no new money being made available to councils for the deal, cuts had to be made somewhere. Single Status, saw 'overpaid' refuse collectors take thousands of pounds in pay cuts, so that others could have an increase. Wherever they have tried to implement this it has led to opposition. In the ten years since it was drawn up, less than 5% of local authorities have been able to reach agreement.

Last month thousands of workers in UNISON Coventry Council branch took one-day strike action on the 19th followed by a 48-hour action on 24th and 25th. A work-to-rule is in place on non-strike days with the T&G and GMB also participating.

The facts of the Coventry case illustrate a much wider problem which will occur wherever Single Status is implemented. In Coventry, according to Council figures, 1600 workers are going to lose out by up to £8,000 a year, a large number will be facing cuts of £3,000 or more. The 'losers' under the deal will have their pay frozen at the current rate for five years and

then they will face the cut. Positions are already being advertised at the new rate, with 9-month fixed contracts that will create a 2-tier workforce. Many of those who are said to be standing still or gaining from the deal will also be hit by the restricted availability of increments, or the loss of shift and premium payments.

As Coventry shows, Single Status in local government, like Agenda for Change in the NHS, is no solution to low pay for male or female workers. A far more useful legal approach, which the UNISON leadership has so far been resisting, is taking out Equal Pay claims through the industrial tribunals system. It was proved in Gloucester ten years ago, and even more spectacularly in the recent case of the Carlisle Equal Value claim, which won £340 million for 1500 health sector workers, that this is a route which can be used to deliver a better deal for our members.

The union must take up every avenue that can be used to improve the members conditions and pay. Surely lodging Equal Value claims is the minimum we can expect from our union. This does not mean that we should become a society of lawyers that takes a passive line exclusively through the courts. No law on its own is going to guarantee our right to fair pay, we also need a militant strategy to defend ourselves. That is why we have a union.

The leadership must begin to take the struggle against low pay seriously. If they were given a lead the majority of members would be willing to wage a struggle to end low pay and discrimination in public services. This struggle for workers interests needs to be taken back into the Labour Party for a Labour government with socialist policies. Only in this way can we put an end to the problems of low pay, workplace discrimination, pensions and job insecurity.

Reject Single Status and Agenda for Change
Fight all forms of discrimination
Equal pay for work of equal value
For militant action to end low pay

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