BLOCKADE
BLAIR'S ROADSHOW TO RUIN!
Defend the welfare state – see inside, page 3, 4, 5, 6, 7
Liverpool dockers dispute ended

As we go to press (Monday 28/11), it is believed that a mass meeting of the Liverpool dockers has voted 70-30 to end the dispute on the same terms as rejected in the ballot towards the end of last year. This appears to be mainly because the stewards could see no way forward for the dispute, having reached a dead end with their efforts to get the TGWU to take up their cause, and reports that dockers on the East Coast of the USA had called off their planned solidarity action.

The next issue of Socialist Outlook will carry a full analysis of the dispute and its ending.

Elkie Doe

SOCIALLY OUTLOOK reported recently on Bernie Hydes' derecognition as a trade union rep by his employer, British Gas, and the disgraceful role of a national UNISON official in the affair.

Attending a meeting at UNISON HQ in December, Bernie was asked to meet with the Head of Energy, Mike Jeran. Unannounced, Dave Johnson, Deputy Head of Energy; and Chris Gorman, Chair of the Service Sector Executive, also turned up.

Jeran interrupted Bernie's account of his Industrial Tribunal case over his derecognition by producing copies of the articles about Bernie published in this paper - so this was what the meeting was about!

The AGM agenda of the Campaign for a Fighting and Democratic UNISON (CFDU) and resolutions were also produced, although Jeran did say he didn't have a problem with the resolution on Bernie's derecognition.

Bernie was asked to sign a letter saying there had been a misunderstanding over the article in Socialist Outlook. Bernie was more than happy to sign the statement: since there is no such paper as Socialist Outlook, there must have been a misunderstanding!

It's good to know these bureaucrats regard us as so influential, even though they can't get the name of our paper right, and that they appreciate the dangers of being seen to sell out.

Meanwhile, Bernie Hydes has as yet found the regional officer less helpful in preparing for the industrial tribunal case, which was originally scheduled in December but was adjourned to 8 January under the regional officer's request.

On 5 January, Bernie had not seen management's witness statements or submitted his own documents to the IT, although evidence should have been exchanged 14 days in advance of the tribunal date. He had to ask the tribunal office for another adjournment himself, until 9 February. The regional officer wanted to go ahead in a situation in which Bernie felt he was at a complete disadvantage.

As we go to press, with just two weeks to go, witness statements and other written documentation have still not been exchanged, or on Bernie's side, prepared.

Bernie's case raises serious questions about British Gas's willingness, nationally and locally, to defend the rights of trade unionists to choose their own reps, and those reps' ability to stand up for their members in the workplace.

Very basic union rights are under attack.

We welcome Mike Jeran's support for the CFDU resolution and will report in future issues of Socialist Outlook how Jeran and other officials have put this into practice in vigorously defending Bernie's fight against derecognition.

Guards win 37 hour week

when the determination of the workforce became apparent, Wales & West only saw sense after two days of industrial action. Both days the strike was solid in all depots.

Management responded by bringing in scab supervisors from another rail company and by trying to victimise strike leaders.

But with the RMT refusing to enter into negotiations until all threats against individuals were lifted, Wales & West were finally forced to back down on all fronts.

It is clear that the privatised railway is particularly vulnerable to this kind of pressure, paradoxically in a way that the old British Rail was not.

This was also the case of the RMT to beat this further this year with further reductions in staff numbers and the staff handing a main plant of the TSSA pay claim.
Ask a silly question ...

TONY BLAIR is staging a major campaign in an effort to "sell" his welfare reforms to an increasingly sceptical party membership.

Having bog-tied themselves with Tory cash limits and Mauro-Wright, they have now asked the wrong questions, and come up with predictably reactionary answers.

The wider public, and even sections of the Tory press and media, have shown that they are more sceptical still, and even less likely to be convinced.

Those most directly affected by the first wave of Labour attacks on the welfare state - students, lone parents and disability action groups - have already demonstrated their rejection of the Labour proposals.

In so what has been deliberately compared to the fight to scrap Clause 4, a series of up to 40 "roadshows" began last Thursday in Dudley; in them, Blair and his team will crusade for their new New Testament Toryism.

Those Labour party members who have not already resigned in disgust or tactically withdrawn from activity, and who manage to pass through the ever more stringent screening by Peter Mandelson's sinister Milliband machine, may be among the select few invited to listen to Blair proclaiming the need for action to shake up the welfare state.

"Pittance"

Meanwhile pensioners scrape by on an embarrassing pittance, hospital beds and services are closing for lack of cash, private firms seek up projects, and of NHS building projects, and a new round of council cuts is threatening schools with increased class sizes and decimating social services.

Every one of the "tough choices" as seen by the new government has come down against working class interests, while the profits, pay, perks and privileges of the rich remain intact.

Nothing could more clearly hang the point that the Tories, though out of office and unable even to mount a credible opposition, are still effectively in charge, having set the political agenda and with a more ruthless team now pressing home the policies which made even Thatcher flinch.

After a spurious "crisis" of allegedly runaway welfare spending - when British spending (and the level of benefits) is lower than the rest of Europe and one of the most minor in the industrialised world, Labour's spin doctors have now tried to foist the idea of an "affluence test" in a desperate effort to force through the abolition of universal benefits.

Of course many more prosperous households already fall foul of a form of "affluence test", leaving parents to bridge the gap in student grants. Many low-waged households also fall foul of another mean-spirited "affluence test", and wind up saddled with exorbitant prescription charges and fees for dental treatments to deny pensions, child benefit, maternity pay or disability allowances to those on exceptionally high income: why set up a complex new bureaucracy for means-testing when the simplest answer is to use the tax system, and to tax the rich?

The erosion of universal benefits would of course be just the beginning of a process in which the system has nothing to offer them, would be encouraged, little by little, to "opt out" and pay privately for what would almost inevitably be inferior insurance cover.

Even the financial pages of the Tory press have now begun warning that compared with the limited private cover available "the welfare state gives very good value for money".

Yet already, hints of the scenes at the press conferences with Joseph Field, fresh from giving a lecture, "chats" with the Chilean-style scheme to compel workers to take out a second - private - pension to top up state pension which Labour, obedient to Tory spending plans, is reducing in value year by year. He even wants to privatise the provision of disability benefits, though who would pay the premiums has yet to be explained.

Worse, the ground is already being cut from under the feet of those fighting back. UNISON, which has done nothing to challenge Blair's anti-welfare offensive (which is trying to outlaw branches campaigning to change its policies) has now issued a press release - with no mandate from its members - welcoming the idea of compulsory second pensions!

Blair's honeymoon ended with the Formula I affair - but the cancelation of reaction continues. In the 61 Labour MPs who abstained or voted against the cuts in public benefits, in the process on the streets and in the culdesacs from Labour membership we can see the seeds of a revolt.

The task for socialists is to ensure that this revolt develops into a political fight at every level of the labour movement, to win back the social policies we need to defend and extend the welfare state.
Defend disability rights -
defend welfare rights

Simon Deville and Susan Moore
THE LABOUR leadership are concerned about their policy on
disabilities. For Blair and co the problem is that New Labour
isn't getting its message across clearly enough.

For the 6.5 million disabled people
in Britain the problem is a dif-
ferent one: for them the message
has come across all too clearly.
The Labour leadership are plan-
ing to force through massive bene-
fit cuts to some of the most vulner-
able members of society.

Whilst fringe movement
that anyone could believe that New
Labour will attack the poorest sec-
tions of society (65 per cent of dis-
abled people currently live on or
below the poverty line), Blair has at
the same time made it perfectly
clear that this is precisely what he
does aim to do.

As if the prejudice and exclusion
disabled people already face in soci-
ety isn't bad enough, Blair and Harman have consistently stated
that they aim to introduce further
means testing for disabled people
who receive benefits. Disabled
people will have to face even
more rigorous testing to prove that they are
disabled.

Even the most generous reading of
what Blair has said so far would
suggest that New Labour will only
avoid attacking the poor and those
with disabilities by re-defining
what they mean by poor or disabled.

For many people with disabili-
ties the benefits they receive enable
them to achieve a modicum of de-
pendence and dignity. Running a
car for example may be a 'luxury' for
someone who could use public
transport. Given that most public
transport is completely inaccessible
for anyone who can't get into or out of
a wheelchair.

For others their disability may
mean that they need to spend extra
money on heating, for example, or
on additional equipment such as
massage or acupuncture that are
rarely available on the NHS. Others
may need to pay someone to assist

with personal tasks that other people
do.

Disabled people need benefits
to pay for the extra costs of their dis-
ability - whether those costs are in-
evitable or as a result of the incap-
ability way our society is or-
ganised. Disabled people need those benefits - and should be emi-
tiated to them - whether or not they
are in paid work.

In 1995 the Tories introduced Incapacity Benefit to replace the
previous Invalidity Benefit. The new benefit was subject to tax and

counted as income - which means that those receiving it get less in-
come support.

At the same time the govern-
ment introduced the hated "All
Workers Test" through which the
Benefits Agency attempts to show
that disabled people are able to
work, and therefore, not entitled to
Incapacity Benefit.

Through this, 1,700 people have
lost their benefit entitlement, many
of whom are judged not sufficiently
disabled for these benefit rules, but
are not able to work. In many cases
people with a condition that fluctu-
ates may lose benefits because their
condition was not sufficiently bad on
the day of their All Works Test.

Even the application for Incap-
acity Benefit asks a staggering 96
questions about what the claimant
is or is not able to do (including a
question halfway through the book-
let that asks if you are able to turn a
page!)

In opposition Labour officially
opposed these attacks. Now they are
in government they have changed
their tune. Their document leaked
in November of last year reveals plans
to cut £2.3 billion of disability benefit
given by the year 2000, from In-
capacity Benefits and Disability Liv-
ing Allowance.

At the same time they plan to pri-
vatise BAMS, the hated Benefit
Agency that runs the All Work
Test. Not if it wasn't demeaning
enough to be seen by a doctor from
the DHSS now disabled people will
be examined and quizzed by a doc-
tor employed by a private agency.

They also plan an assault on In-
dustrial Injuries Compensation.

Problems like back complaints -
not to mention industrial diseases
often caused by work accidents.
Nor is this only an issue for workers
in manual jobs - the growth of com-
plaints such as Repetitive Strain In-
jury makes that clear.

Of course the attacks on disabili-
ty benefits are not planned in isola-
tion from the overall assault on the
Welfare State. They are part of La-
bour's overall plans to defend prof-
its for big business by slashing the
social security bill and the welfare
state overall.

This will obviously impact on
people with disabilities even fur-
ther as cuts hit other benefits, as the
crisis in health care deepens and so
on.

While we must organise to reject
any plans by the government that
aim to cut disability benefits, such a
fight must be linked up with a
struggle to defend and extend wel-
fare services and provision overall,
that involves an alliance of disabled
people with all sections of the la-
bour movement.

The Labour leadership are mas-
ters of political spin and any such
attacks are likely to be couched in
terms of cutting down on fraud,
directing limited resources to those
most in need and so on.

We must absolutely clear that
no attacks on welfare are acceptable.

The millions spent on harassing
the poorest and most vulnerable in
society should be diverted into
cutting the rate of inflation and
more lucrative tax evasion of the rich and of big business.

To say the money isn't there is
simply ludicrous in the country
that charges the lowest level of corpora-
tion tax of any advanced capitalist
country.

We can't let the problem isn't that La-
bour has failed to get its message
across; the problem is what the mes-
age is in the first place.

The changes we want to see
Terry Conway
NO ONE supports the existing system of benefits for disabled
people.

Welfare reform is needed - but on a completely different basis than
that currently proposed by New Labour. The existing system is ex-
remely complicated, which means that the rate of take-up is lower than
the number of people who qualify for existing benefits.

The qualification basis is different for different benefits, but in gen-
eral people with some types of disability find it easier to get benefits
than those without - regardless of the level of impairment or the conse-
quence costs.

Organisations fighting for disability rights and of carers are agreed
that what is needed is a comprehensive disability income scheme as well as
proper legislation - which goes well beyond the so-called Disability
Discrimination Act - for civil rights.

The elements of such an income scheme should be:

* A disability costs allowance - a tax free, non-means tested benefit
designed to cover the costs of disability and based on its severity not its
cause
* A disability pension - payable to anyone of working age unable to
work because of long term sickness or disability, non contributory
and non-means tested.
* A partial capacity benefit - payable to people whose work capacity is
reduced because of their disability, non-contributory and non-means
tested.
* A carer's pension.
Take this chance to improve abortion rights!

Elkie Dee and Terry Conway

THIRTY years after the 1967 Abortion Act, reform is proposed. For once, the proposal is easier access to abortion.

Following Frank Dobson's comments, he will draft a new bill so that a woman seeking an abortion could be referred by one doctor rather than two.

Walker had already done some groundwork last year when, around the anniversary of the 1967 Abortion Act, he proposed two non-confidence votes on the existing legislation, and one calling for abortion to be re-examined in the first trimester.

This move, planned in consultation with pro-choice forces such as the National Abortion Campaign, was intended not only to get publicity but more importantly to get some intervention MPs would line up on the question of women's rights to control their body.

It is well known that Dobson, as Health Secretary, has stated that he supports changing the law, even if he didn't mean his comments when he went on the record to get the attention they have. As a result, the government has been keeping a low profile on the issue.

There is still a struggle to be taken up on this issue.

Firstly, the proposed charge would mean women would have to gain one doctor's consent. This may still put off women who do not want to go to their GP, and importantly, women whose own GPs refuse to sign the form.

In many parts of the country, access to NHS abortion services is limited because of anti-abortion doctors, and the last abortion unit in the country is outside private clinics. Abortion is only available on demand to those who can afford to pay.

Combined with the shortage of resources that means many health authorities are means-testing and/or otherwise restricting access to NHS abortions, this maintains huge inequalities.

Still, the bill is a step forward. We must fight for the right to choose for all women, and the principle that this should be a woman's right to choose, not a doctor's. Dobson has refused to commit the Labour Party to a position on the issue. It is clear that he was speaking as an individual and that he had not sought - or obtained - the support of his colleagues.

Before the 1981 restrictions granted under the 1967 Act were lifted, there was much discussion about how the bill would be drafted. Even before this stage is reached, there needs to be a campaign to get the ballot time, otherwise the issue may not even come to debate.

Women and labour movement activists should call on the Labour Party to take a position, and put pressure on MPs to support a woman's right to choose. Not for doctors and MPs, but our lives, our lives, our right to decide!

Welfare state under seige:

Women in the firing line

Terry Conway

MANY women have high hopes from May 1 1997 that the election of a Labour government after the long years of the Tory nightmare. That optimism was based not only on the same feelings that drove other working class people to deliver such a landslide victory for Tony Blair, but also on the fact that there were an increased number of women in Parliament and that Labour had taken some steps to target women in its election material.

It was not that they expected the earth - but surely things couldn't get worse and hopefully they would be in for an improvement.

But yet again over the subsequent months it has been women who have been at the sharp end of the attacks that have continued - the policies which are culminating in poverty in the firing line.

Women always suffer most from attacks on the Welfare State. More of us work for it - often in the lowest paid and least well treated jobs. Many of us are losing our jobs - others are being hit by privatisation and redundancies that will unemploy and distress us. This is a way of life and for many, just what we do.

Women are poorer than men. We earn lower wages when we work. So more of us are dependent on benefits and will be affected disproportionately by the cuts in the benefits system - even on benefits that are claimed by all.

We have long been prey to DHSS snipers under the co-belligerence rule. While the rule can be applied to both women and men there is still an assumption - even in areas of the country where male unemployment is higher than female - that if a man is having a sexual relationship with a woman he will take financial responsibility for her. The converse is less likely to be assumed.

Then there was the introduction of the Child Support Agency which has increased surveillance into women's lives.

The government has problems from within - women fleeing violent partners or to lesbians or other women who have chosen to have children without having men around who will lose benefits if they fail to pass on the details of the man.

But for any woman caught in its snare it is intrusive - and as it is unlikely to come up with any money for the father, there is no compensation for most.

The government has decided to target lone parent benefit; obviously impact more on women than men. The change will push more women and more income into poverty.

The proportion of one income households that you spend providing for a child is clearly higher than the proportion of two. The idea that this tiny amount of money was an incentive to women to become pregnant without a man is disastrous. Women are already the most moralistic nonsense of the most outrageous kind. In the end, though, the debate was not for moral reasons but Treasury-driven.

Lone parents

The government hoped that its attacks on lone parents - and the moored ones on disabled people - would go through quietly. They expected that attacking people they saw as marginalised and unorganised they could slash their budgets easily. Fortunately they have been proved wrong.

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Low paid — and angry. Women are ready to fight back against New Labour's attacks

and rather more men - have huge incomes while others live in poverty. The way to deal with this however is not through a low wage but for a variety of reasons from lack of information to a feel-good factor - and a justified one that they should have a decent income of their own.

One of the areas in which the government is talking about introducing disability testing is in maternity benefits. Harriet Harman has tried to use ludicrous and rare examples of a small number of extremely wealthy women who currently are entitled to high levels of maternity benefits as the basis for getting others outside for this change.

Of course Harman has a point that it is obscene that some women and
HOSPITAL NEWS

NHS: in a desperate need of cash therapy

Harry Sloan

THE NATIONAL Health Service celebrates its 50th anniversary year facing one of the worst financial crises in its history. The predicted “winter-crisis” appears to have melted away in the relatively mild winter and without the usual flu epidemic, waiting lists are soaring and even bigger problems are being stoked up.

Labour’s imposition of Tory cash limits means that health authorities and Trusts have to cut spending by almost £600 million in the next 15 months — and the situation continues to deteriorate.

Many local Trusts are facing multi-million pound deficits, with the Royal Hospital Trust in London leading the pack, seeking to axe 200 jobs as it wrestles with a £14m short-term cash shortfall.

Other Trusts, most of them already reduced to little more than an emergency-only service, are cutting jobs and services, while health authorities scale down contracts and look for bed closures to balance the books.

North East, which has gained an extra £20m real terms spending power in the last 3 years, still requires an extra £137m of deficit funding and has opted to close 70 beds in community hospitals. Community beds are now being targeted for closure in Lincolnshire, where the deficit is £40m. 80 beds could go, creating huge logistical problems for patients and visitors in one of England’s largest hospitals.

Prison

South East, which has enjoyed generous increases in funding, is looking to cut a massive £9.4m in 1998-9, including a mean-spirited £90m cut in liaison services for mentally ill prisoners, which the health authority admits will result in more people being inappropriate and over-reliant on hospital care.

West Hertfordshire, facing a £12m shortfall, is floating plans to turn either Wafter General or Hertford Hospital into a “community hospital” — with no beds! A vigorous campaign of resistance is being led by UNISON.

A Rescue Plan for the NHS Conference

SUNDAY 14 March
ULU, Malet St, London WC1
Called by Welfare State Network
Speakers include Tony Benn MP, Geoff Martin (London convenor UNISON), John Slater (Labour Health at Millbank), Geoff David (London convenor UNISON), John Slater (Labour Health at Millbank)
Details from WSN c/o Camden People’s Centre, 183 Queen’s Crescent London NW3 4DS. 0171-639-5088

John Slater

FRANK Dobson, the Secretary of State for Health, has confirmed a “change of government policy in the care of people with chronic mental illness. But there are good reasons to doubt that anything will change.”

Newspapers, TV and radio stations have already reported on mental health services when things went wrong and ended in murder, and Frank Dobson had “scrapped” the policy of community care, which has run into increasing disrepute.

They zealised on the frightening figure that a murder every two weeks is carried out by a mental health sufferer — downplaying the even more alarming fact that 40 times more mental patients — 1,000 men a year — commit suicide, and welcomed the idea that more of these people would be effectively locked away.

In fact, Dobson’s statement was confused and mutually contradictory: he appeared to be echoing the views of his predecessor, Norman Dorell, that there is a need for extra facilities, 24-hour nursed accommodation, to care for those who care for seriously ill. This same message has been conveyed by the DHSS and by those who have seriously examined mental health care in the last 13 years.

Early in 1985 the Commons Social Services Committee published a damning critical report on the progress so far on community care, insisting that “the stage has now been reached where the rhetoric of community care has been overtaken by the realities of acute mental illness and needs. 37,000 fewer mentally ill and mentally handicapped patients today than there were 10 years ago, no one knows what has happened to many of those who have been discharged. Some, of course, have died; others are likely to be in some form of residential care; the rest should be re-integrated into the community. . . . If recent experience is any guide to the future, a significant proportion of those discharged from NHS hospitals will have been brutality, or who will now be imprisoned; others will have become wanderers, left to their own devices with no support from community-based services.”

Early in 1985, Norman Dorell said almost exactly the same thing, The Department of Health report, The Spectrum of Care admitted that the closure of thousands of long-term mental health beds had left thousands of chronic and severe sufferers without the care they needed.

Many of these chronic sufferers were disproportionately occupying beds in acute (short stay) units elsewhere and community beds occupancy figures have in many cases been pushed well above 100%.

The Department of Health report calculated that there was a need to increase extra places from 5000 to 6000 and extra places offering 24-hour nursing care for people with severe and enduring mental illness across the country.

Each place would cost between £35,000 and £50,000 a year in revenue, while the capital cost of building the smaller-scale housing units would be up to £400 million. In London alone, where 60% of long stay adult psychiatric beds have closed since 1990, the cost could be £600 million and £600m a year.

Without new money on this scale being found, thousands of severely-reared mental health services, the present shambolic, crisis-ridden ar- rangements were set to continue.

And of course, Dobson, like Dobson today, offered no extra cash for anything.

A Daily Telegraph editorial, welcoming Dobson’s apparent change of heart, bemoaned that “as services have become less and less, it would be unfair to pin all the blame on the Tories”. While we can blame the Tories for reducing services to danger point over 18 years, we should begin now to blame Dobson and Labour if the only injection to mental health is another lungful of ministe- rial hot air.

As we go to press another inquiry has been launched into yet another failure of mental health services, which led to yet another tragic murder — this time of a woman in south Lon- don. 45-year-old psychiatric beds in Guy’s Hospital were reported to have hit 230% last autumn, with staff at their wit’s end try- ing to contain and control seri- ously disturbed patients.

In response to all of these, previous such inquiries have been taken on board — because the system is fundamentally flawed, and the resources required are lacking.

The starting point of the inquiry should be how to attract sufficient cash, staff and resources to rescue a viable service, and how to sweep away the chronic, regime of buck-passing cre- ated by the Tory mark system and community care reforms.

More hand-wringer won’t restore mental health

John Slater

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Will teachers be first to feel lash of Labour discipline?

Roy Leach (NUT Executive, personal capacity) THE TORIES sought (with some success) to introduce market relationships into state education.

Local management of schools (LMS) gave head teachers greater control over their schools' budgets (particularly in relation to the employment/dissemination of staff). Open enrolment encouraged competition for pupils and the funding that followed them.

Opting out created a privileged tier of better funded schools, the head teachers of which were not obliged to follow LEA procedures.

However, while consultants and others were able to take advantage of state markets (competing with LEAs to provide services to school "purchasers") the core function of school unions was firmly in the public sector and free from profit-making.

Labour, in a breathtaking extension of its capitalist-friendly policies, has now proposed to hang over to big business the running of state schools. So-called Education Action Zones, consisting of 10 to 20 schools, will be put under the control of Action Forums, at least one of the first five of which will, according to the DFAE, be led and run by a business.

As Dr James Tooley, director of the Institute of Economic Affairs (a right-wing think tank), pointed out, "the government has accepted that there is no principle of principle that the government should deliver education".

EAZs will attract an additional £500,000 above schools' normal budget - £250,000 from the government and £250,000 from businesses; however, the latter may be paid "in kind".

The Action Forums will be empowered to tear up the existing pay and conditions of teachers.

With so much talk of increasing the working day and year for teachers (led by Labour's Margaret Hodge, Chair of the Education Select Committee) it is clear that the "costs" of added pay will be small compensation.

Attack on contracts

Once EAZs have driven a coach and horses through national pay and conditions, it won't be long before the rump LEAs follow suit, and instead a collective of teachers' contracts cannot be ruled out.

Any doubts about this have been answered by Schools Minister Stephen Byers who is on record as saying "we will not be averse to piloting new ways of thinking as far as teachers' conditions of service go... if we put out extra demands to work in the evening, at the weekend..."

The government's stated aim of creating a more flexible teaching force which anyone wanting to work for a gangster employer in the private sector would be entirely familiar with. New Labour has thrown down the gauntlet to the teacher unions and is clearly spilling for a fight.

As predicted in the column of Socialist Outlook, it is only a matter of time before New Labour seeks to take on a section of organised labour in order to prove its capital friendly credentials. It looks odds-on that teacher unions are being set up to be the fall guys in this set piece.

The response of the unions has been strong on rhetoric ("NUT is fighting privatisation of education"). But what is the proposed method of fighting privatisation?

Local NUT branches are being urged to form local EAZ bids to set up EAZs in order to forestall more draconian business run outs.

Teachers only need to look at what has happened to other local government workers who cut their own terms and conditions to keep contracts in-house and who now face being sold off or in some instances run out.

The end of 5-year terms. Such a response will just make taking control over Action Forums easier, cheaper and more attractive for the profiteers at a later date.

EAZs pose a threat to every single teacher, whether or not they teach in working class areas with so-called "failing schools".

The leaderships of all the teacher unions have either failed to grasp this inescapable conclusion or they lack the will to lead their memberships into the sort of industrial action campaign that is needed to defeat the proposals.

Doug McAvoy has identified the creation of business-run EAZs as the most right-wing anti-educational initiative in 20 years, yet the strategy he has announced is depressingly familiar and completely inadequate, given the scale of threat they pose.

Teacher illusions in Labour have already largely disappeared. Whether or not they are prepared to stand up and fight is a question which as yet remains unanswered.

London Underground: privatisation not so "different" under Labour

By an RMT NEC member

With British Rail privatised by the Tories, London Underground is the only major rail system in public hands. Underground workers were basking in the new Labour government safeguarding their future.

A mere few months after the election they are finding out the hard way that new Labour means no change. The only reason LUL has not been privatised is that Labour ministers cannot or will not reannounce themselves what form the sell off should take.

Lack of investment over the last decade has meant a continued deterioration in LUL services and massive fare rises. With London's roads grid-locked it is broadly accepted that LUL is one of the biggest sources of a massive public sector injection of capital as part of an overall transport strategy.

Rail unions have long argued that such capital can be raised through a mixture of public-private partnerships and government borrowing, adding that with a change in Treasury rules this would provide the necessary major change in existing budget assumptions.

However, it now appears that the best on offer from John Prescott is that the majority of the infrastructure would be leased off under a form of Private Finance Initiative with jobs being handed over to the private sector.

Only a core of operational staff would remain in the public sector. Other options include franchising the whole of LUL off to the likes of Richard Branson. In the mean time the ULM management have begun a process of selling off peripheral parts of the system. Electrical control staff, advertising display staff and others faces transfer into private hands.

RMT members on LUL are adamant that they will oppose all threats of privatisation. And whilst it is undoubtedly hard to mobilise when LUL management is currently under threat, so far it has been possible to force the LUL and the government to hold off.

At the end of last year, for instance, a series of mass pickets of the Department of Transport by staff from Action Works forced Prescott to concede that their jobs would not be hived off before the future of the whole of LUL was decided.

Now, it is essential that broader forces are brought into play to defend LUL. As a first step to their campaign the RMT's London Transport Regional Council has called for a mass picket of the Department of Transport on the afternoon of Friday 13 February. As well as large numbers of LUL workers the aim is to involve other trade unions, including those groups of road protesters and others.

The time is fast approaching when industrial action will become necessary if LUL workers are to defend their jobs and conditions. While this policy is formally supported by the RMT at national level, which itself committed to organising rallies in defence of a public sector LUL, it is clear that General Secretary Jimmy Knapp is reluctant to do anything that upsets his cosy relationship with John Prescott.

Rather, at every turn, he has tried to pose this as a dispute with the "Treasury", with Prescott really on the side of the RMT, but only constrained by Cabinet collective responsibility.

This is a ridiculous position, but unfortunately only too common amongst the trade union bureaucracy. It is clear that, whatever the talk of private deregulation, the Labour front bench is united in the direction of its policy.

Jimmy Knapp and his co-drinkers cannot be allowed to hold back the campaign of defence of Underground workers. They are right to mobilise themselves, while the RMT leadership must be forced to turn its face and general support into something more concrete. The whole membership must be mobilised.

While the whole of British Rail was sold off bit by bit by the Tories we were told to wait until the Labour government. Now we are being told to hold back in case we weaken our "friends" in the government and the franchise is sold. Enough is enough - privatisation can be stopped - but only if we are prepared to act in our own defence.
Mobilise against Cardiff Summit

Darren Williams

The march towards an economically integrated capitalist Europe is to advance one step further with the EU’s first Summit of Government in Cardiff on 13 June. At a meeting in Cardiff on 25 January a significant cross-section of the Labour Party and Plaid Cymru, as well as representatives of the Communist Party, the SWP, Cym-dolin y llafith Gymraeg (the Welsh Language Society), Unemployed Action Groups, the Campaign Against Euro-Federalism and the Eurosceptics Network.

People’s Europe

Under the slogan “No to a big business Europe, Yes to a people’s Europe!” it was agreed to stage the platform of the demonstration around the following key demands:

- Against the austerity measures to meet the convergence criteria for the single currency.
- Against cuts in the welfare state and social spending and the privatisation of public services.
- For full employment, with real permanent jobs on a living wage.
- For the equality of all nations in Europe.
- Against the racist “Fortress Europe.”
- For a bolt to the degradation of the environment.

A demonstration against these key proposals for European integration, at a time when so much attention will be focused on the summit, plays a uniquely valuable role in opening up a real debate on Europe in Britain. As such, it has the potential to raise the debate more vital than in Wales, the summit’s host-nation, where the leadership of both the labour and nationalist movements, and much of the reformist left see the EU as holding out solutions to their country’s many problems.

Six months of British Presidency of the EU

Time to veto Blair’s European agenda!

Thousands marched through Paris and 50 other cities on January 7 protest against unemployment

Alan Thornett

THE BIGGEST political issue in Europe in 1998 will be the preparation for the single currency, due for introduction on January 1 1999, and the implementation of its notorious job-cutting convergence criteria. The key task for Blair during the British Presidency of the EU, which runs from January until June is to oversee these developments. During this time the remaining preparations for the single currency have to be completed, including agreement on the final list of member states which will be going into the single currency from the outset.

Common policy

The Cardiff conference will also focus on employment conditions across Europe – following on from the so-called “Jobs Summit” held in Luxembourg last November. That meeting was held at an EU EMU Council to be held in Brussels on May 1-3, chaired by Robin Cook. Thus even though Britain will not be on the list, and even though – against Blair’s wishes – a committee of those involved directly is to be set up, there is no doubt that Britain under New Labour is playing a very different role under the top.

The British Presidency will culminate in Cardiff on June 15-16 with a summit that will be the launch pad for the single currency six months later. As always it will be this event at the end of a presidency that marks its focal point and acts as a balance sheet of what has and has not been achieved.

The Cardiff conference introduced a new principle into the EU that the issue of employment, and unemployment, should be treated as an issue of joint concern and the subject of a common policy.

Under pressure from Tony Blair, the conference adopted a remarkable set of “employment guidelines” which the member states will be required to implement. The implementation will be monitored at the Cardiff summit.

The statement adopted puts it this way: “The implementation of the Guidelines will be regularly monitored under a common procedure for assessing results: each year from now on, the Commission will report on the implementation by the Member States of the employment Guidelines. The Commission may present updated Guidelines and – if necessary – propose new requirements to individual Member States.”

This type of approach to co-ordinating national employment policies draws directly on the experience built up in the multinational surveillance of economic policies, a method that proved particularly successful in the case of convergence.

“The aim is to achieve a convergence process of Member States’ employment policies and to create for employment the same stability as that applying to economic policy, so that targets can be jointly set, verified and regularly reviewed.”

What are the policies they want to monitor and converge? This is made clear under the guidelines entitled Modernising Work Organisation.

The social partners are invited to negotiate, at the appropriate levels, in particular enterprise levels, agreements to modernise the organisation of work, including, including working arrangements, with the aim of making undertakings more productive and competitive and achieving the required balance between flexibility and security.

Annual hours

“Such agreements may, for example, cover the expression of working time as an annual figure, the use of temporary staff and the reduction of overtime, the development of part-time work, lifelong training and career breaks.

“For its part, each Member State will examine the system of incorporating in its law more adaptable types of contract, taking into account the fact that the new forms of employment are increasingly diverse.

“Those working under contracts of this kind need of reassurance that they enjoy adequate security and higher occupational status compatible with the needs of the business.”

This agenda echoes completely the position Blair has been putting to Europe and which he put in the Amsterdam Summit: that the solution for the EC is to follow Thatcher’s Britain in forcing in employment “flexibility”.

All we have seen the difficulties posed for many of the member states, as resistance to the convergence criteria has led to huge demonstrations, strikes and other protest. Unemployment and flexibility has already been central to these shows of resistance – and this will become more explosive now.

This makes the Cardiff summit important not just for the single currency but also for the issues of unemployment and job insecurity. Across Wales, Scotland and England... indeed across the whole of Europe, including Germany and France, the Presidency in the first half of 1998, it is likely that a demonstration will be called probably in Cologne in June 1998.

It is expected that this will be pitched to attract more sizeable delegations from each country than will be possible for Cardiff though discussions are still in the early stages.

At any rate the meeting was buoyed up by protests of the French unemployed movement and more determined than ever to organise across the continent to resist the drive towards social exclusion facing us all.

Alan Thornett

Paris Euromarch meeting

ParisONDLe unemployed protests a successful meeting of the Euromarch campaign was held in Paris.

"Delegates from Belgium, Spain, Luxembourg, Finland, Sweden, Britain and Switzerland all expressed their solidarity with the French occupations and other coordinated actions to be organised across Europe. The French delegations were actively involved in the movement’s leadership. Some delegations refused to leave Paris in order to attend a press conference following a meeting between Jogjes and leaders of the occupations. The reports from delegates were extremely positive and many countries sent large delegations onto the European TUC demonstration in Luxembourg last November.

The meeting agreed to organise a number of European wide actions. Firstly, in Brussels in May European governments aim to agree on the list of countries to enter the single currency in the first round. Though it was recognised that there was not time for a major mobilisation at Brussels, all countries will attempt to send small delegations. Cardiff Summit

The second action called was around the European Summit in Cardiff on June 13. Every country was asked to send a delegation. Obviously this will be of central importance in Britain to hold the maximum possible mobilisations. There were initial plans laid for another European-wide mobilisation while Germany heads the Presidency in the first half of 1998. It is likely that a demonstration will be called probably in Cologne in June 1998.

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UNISON: branch democracy under attack

Fred Leplat, UNISON London Regional Committee (personal capacity)

A REPORT which attacks the right of branches to campaign to change union policy was adopted by UNISON’s National Executive Committee on December 4.

This surprising move was initiated by UNISON’s general secretary, Roger Baglin, and supported by Bickersstaffe, Unison and COHSE.

In 1995, the CFUD candidate for general secretary, Roger Baglin, ran against Bickersstaffe, got 18 per cent of the vote.

Last year, the CFUD produced a well-received pamphlet on the CFUD’s campaign against the deal that had been negotiated for the “Single Status” - the harmonization of blue and white collar terms and conditions for local government staff.

While supporting Single Status, the CFUD argued that the deal had to be improved, allowing employers to unilaterally move to lower paid conditions.

The CFUD argued that such an echo at 40 per cent of the local government branches rejected the deal at the special conference.

With the election of a New Labour government, UNISON’s leadership could not afford the risk of the left winning on a key issue. An inconvenient decision at a conference could sour its relationship with Tony Blair.

The need to maintain a honeymoon with the new government is seen as central - even if it means holding back a campaign for a minimum wage, negotiating “Best Value” (civil service privatization) despite it being contrary to union policy, or attacking union democracy by willy-nilly individuals and restricting the right of branches to change policy.

Greetings

This orientation is spelt out in a New Year “greetings” letter from Bickersstaffe to all branches in which he states that: “The Government will listen if they know that we are relevant and representative of our members. That is why we must challenge all attempts to subvert our voice by outside groups who put their interests ahead of our members.”

The report on which the CFUD adopted was produced by Brian Longstaff QC at a cost running into five figures, probably ten times the money received by the CFUD from UNISON branches and individuals.

It is necessary to defend UNISON’s democratic founding principles, that it is a member-led union with autonomous branches and a sovereign national conference.

A strict interpretation of this decision could lead to branches being stopped from circulating solidarity agitations, branches voting on branch resolutions to obtain support from branches at national conference.

But the immediate intention of the NEC’s decision is to prevent the financial support from branches in the form of affiliations to the CFUD, in the naive hope that this will be self-sufficient.

Fortunately, this attack on the union’s democracy is being vigorously opposed. Sixteen members of the NEC voted against the conclusions of the report, and supported a resolution which recognised that the right to campaign to support or change policy is actually in the rules.

These members of the NEC, while not agreeing with the CFUD, supported our right to exist.

This attack has brought together SWP members, UNISON Labour Left (another branch of UNISON) and other UNISON officials who fear for the CFUD in the same room - something unprecedented - to plan a response.

Branches and regions are now considering initiating a campaign from a conference in March which would hopefully lead to overturning the decision at UNISON’s national delegate conference in June.

This attack on democracy will distract activists from developing a response to the new measures from the Labour government such as Best Value, welfare reform, and funding of public services.

But this situation has been initiated by the union leadership.

It is necessary to defend UNISON’s democratic founding principles, that is a member-led union with autonomous branches and a sovereign national conference.

These principles ensure that the interests of public sector workers are defended by their elected representatives, whether a shop steward or an NEC member, rather than elected officials being able to impose deals. They will not be given up without a bitter fight.

Reach our readers: Bickersstaffe
As racist governments fall out, could this herald

The collapse of Fortress Europe

Simon Deville

The BEGINNING of 1997 was marked by a story that exposed the racist repressive nature of the EU's "Fortress Europe" policy.

Over 300 migrants from South Asia were forced at gunpoint on to a boat that was then rammed by the boat that was smuggling them into Greece, killing nearly all of them. Though this massacre was widely known throughout the media, it hardly got a mention.

About exactly a year later, the arrival in Italy of around 1,200 migrants, mainly Kurds from Turkey and Iraq, threatened to bring about the collapse of the 1985 Schengen Agreement, the cornerstone of Fortress Europe. Unfortunately it threatened to collapse into the worst of non-racism.

Schengen has 3 central points. Firstly, the free movement of people within the European Union. Secondly, a common policy of policing the borders of Fortress Europe. Finally it establishes what is de facto European-wide police force.

Whilst Britain has not signed the Schengen Agreement, it has agreed to co-operate with the creation of European-wide police force and has increasingly moved to adopt these reactionary aspects of immigration policy of each member state of the EU.

The only aspect of the agreement that has not been implemented in Britain is the abolition of border checks on people travelling from other EU countries.

Italian president Oscar Luigi Scalfaro in his new year message stated that "Italy's arms are wide open to genuine refugees". Whilst this statement is not exactly true, there is no law in Italy to deport asylum seekers. Immigrants can be served with an order to leave the country within 15 days.

Various Schengen signatories have seen this a breach in Fortress Europe. As a result France, Germany and Austria have re-established controls on the Italian border, and enormous pressure has been brought to bear on Italy and Greece to tighten up their external border controls.

Turkey has been under pressure to prevent Kurds fleeing the country - rather than to end their persecution of Kurds. The Turkish government is attempting to close the tightening of its controls as a bargaining chip for admittance into the EU.

The German government has been at the forefront of opposition to immigration into Greece and Italy. The Right wing German interior minister Manfred Rammer called on Europe to see itself as a "security community" in the face of what he called "this threatening situation".

In fact the idea of mass immigration is a myth: immigration into Europe is far lower than to many other parts of the world. People in Britain however, should be well used to Right wing agitation about being "swamped by aliens" as a means to whip up racism.

Anti-racists have consistently argued that the Schengen agreement would be used to create a common immigration policy based on the worst aspect of each particular member state. What we are seeing now is the most concerted efforts to bring into line those states who's laws are not sufficiently racist for the rest of the EU.

Whilst the left has begun to address questions such as unemployment and the working week on a European-wide level, it has yet to really take up the pleasure in any significant way.

This current crisis in the Schengen agreement should make it absolutely clear to anti-racists throughout Europe that in really challenge racist laws in one country, we need to link up with those struggling against racism throughout the whole continent.

Fight for welfare, not workfare!

Paul McGowan

In Tony Blair's crusade to make Britain meet the Maas- stricht convergence criteria, he has reduced public spending even below the Tories' limits.

He has targeted the social security bill for particularly large savings. Although Britain spends less on than 17 other industrialised nations, he tells us we can cut the costs.

Despite paying higher taxes and national insurance contributions than ever, we are receiving less and less from the Welfare State.

Aﬄuence tests' already force the better off to spend their savings on student fees or their parents' care in old age. Now Blair is removing their right to the few remaining benefits they are entitled to.

New Labour claims it is targeting welfare to the poor, but it is obviously allocating less resources excluding the £3.5 billion for the Welfare to Work programme. Most of the money will go to providers of options on New Deal and not the young unemployed.

However, according to Blair tens of thousands of new jobs will be created - even more jobs for the unemployed filling these vacancies will be lifted out of the poverty trap. Who is kidding us?

At the most it is expected 40,000 of the 100,000 youth initially employed for six months on New Deal will be up for job placement. Yet there is no guarantee that a youth working six months for a boss on as little as his or her jobseekers Allowance will be offered a permanent job at the end of it. Even if they get a job, it doesn't mean it will be on decent wages. Labour's new welfare policy is unlikely to allow a minimum wage for under 25s.

Without New Deal it has been estimated the same number of youth would have found jobs (possibly with the same employers) within six months anyway - and they probably would have received better money than the pitance they will receive under it.

A recent London School of Economics study shows such employer subsidies can be less successful than employee subsidy schemes in creating jobs. Yet you would be more likely to stay with a New Deal employer if they pay a greater reward.

Despite New Deal the Bank of England predicts rising unemployment with a slow down in the economy for the year.

When the employer subsidises a youth, the youth will be dumped back on the dole queue. It won't be a quick fix for Blair in his efforts to reduce unemployment.

Welfare to Work is the government's big effort to alleviate the twin evils of unemployment and poverty in their term of oﬃce. It won't work and will lead to a massive waste of money and the deaths of young people.

The New Deal employment accent will be given over to a voluntary organisation of special area similar to community service for an 18-25er, with no secure job or loss their New Deal plan.

Revaluation Blair should be made to work for the benefit of the community. Public revaluation and a backbench revolt greeted his cuts for lone parents, and the level of opposition now emerging to his plans to reform the Welfare state was unthinkable six years ago.

The Welfare State Network, local campaigning groups and the labour movement should campaign to the government introduce anti-racist policies to reduce unemployment and poverty.

- We need a decent minimum wage, a shorter working week, and an order for the public sector. We should demand better pensions for the elderly, higher benefits for the victims of capitalist slumps and greater help for lone parents, the sick and disabled.

The bosses can well afford it, and should produce more and increased taxes. The Welfare State should again redistribute wealth from the rich to the poor and provide real opportunities for the working class.
Unite to stop Blair's reactionary roller coaster

Noll Murray

BLAIR’S HONEYMOON is well and truly over, at least in one important sense. Many now realise that the programme he stood on in the election was for real, not some disguise to be discarded to reveal a government determined to dismiss the damage done by 18 years of Tory rule.

What remains for Blair is “presentation”. The honeymoon with the media is also over.

That remits absent of course is sustained resistance by sections of the working class to Blair’s programme. While the long heroic dispute at Wapping, Hatfield, Blundington and Critchley labels continue, and there have been protests by students, lone parents and disabled groups, there is a long way from a fightback by the unions to the relentless attacks on working and living conditions.

By and large, the union leaders are proving Blair’s most reliable supporters, despite the occasion of National Day of Disapproval. They still hope that the White Paper on “Rights At Work” will deliver something they can claim represents a confrontational loyalty.

Serious discontent has been shown elsewhere in the movement, however. The magnificent rally by six Labour MPs in December against the cut in lone parent benefit was only disappointing in that not enough MPs had the nerve to vote against and defeat the measure.

Disgust

The news that significant numbers of Labour Party members are leaving in disgust — including many activists who have stuck it out through hard times to see Labour elected, but members, who thought they would lend their weight (and money) to getting the latest of the Tony Coates — should come as no great surprise.

The rapid expulsion of Ken Coates and Blair Kerr, an act of such sangfroid and Chirchley labels, continue, and there have been protests by students, lone parents and disabled groups, with a long way from a fightback by the unions to the relentless attacks on working and living conditions.

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We wholeheartedly blame the Labour Party, the Labour MPs, for engaging in Unionist practices that created this situation, and support Coates and Kerr in their protests against them. It is unfair, in fact, that they have been rather tactically inept in the way they have proceeded, and have thrown away an opportunity to fight within the Labour Party against Blair’s policies.

They did not discuss any of their actions with other Left Labour Party activists — or, even, apparently, Left MPs or MPs. This could have provided for a coordinated fight-back, rather than two individuals being forced out.

Their letter to Euro-constituency Party members, rather than being part of such a discussion, provided ammunition for the bureaucracy because of the way it moored standing protest candidates against Labour.

It is inevitable the different individuals, currents and left groups will make different tactical decisions about how to fight the Blair tide most effectively. It is inevitable that some have stronger stomachs than others, while others will carry on battling in the structures out of habit long after they pointed in.

However it does seem that Coates and Kerr decided on a course of action as individuals rather than attempting to achieve a common approach by the Labour activists and the Union Left. In doing so they have weakened the fight against the “closed list” system in the Labour Party and confused many who also oppose the policies they detest. They have made it extremely difficult to defend them as individuals within the party.

Despite these problems, our main energies will have to be devoted to the question of both democracy and policies.

We welcome the moves made by Ken Coates in the interview overleaf in particular his call for activists in the Labour Party to organise and his assertion that there needs to be strong networking between those fighting inside and outside the Labour Party.

Arthur Scargill, when he decided to form the Socialist Labour Party, also acted primarily as an individual and failed to consult more widely across the Left. While it was not inevitable that the SLP became the bureaucratic monolith in recent conference shows it has become, the seeds were sown at this initial stage.

Socialist Outlook believes the debate on how to resist the Labour government’s policies needs to be brought out in the open, encompassing all areas of the movement, rather than be driven by responding to the actions of individuals.

As Socialist Outlook argued at the time, to launch a new party in such a disorientated manner, when the majority of class conscious workers were crying out for Labour to defeat Tories in the general election and the class struggle was still at a very low ebb, was a big mistake.

Socialist Outlook supporters fully share the anger and frustration with Blair’s policies of Coates and Kerr and those who supported SLP. We disagree, however, with the impatience this frustration has produced among both groups. Neither has really attempted to map out a strategy for the Left, let alone the wider class, to fight back against Blair.

The SLP put all its eggs in the basket of standing candidates in the general election, while the emphasis from Coates and Kerr has been on the Euro-elections.

Coates may say that his re-election is not the issue in this paper and other publications of the left. His letter to The Guardian calling for extra-parliamentary action in defence of the excluded was undoubtedly welcome. However this will not be the main dynamic than a strengthening of the fightback.

In the next months we hope to print a series of articles in our paper representing a series of different viewpoints on how to begin to achieve these goals.

We need a strategy that involves a fight across the labour movement: in the Labour Party and unions, at all levels, against those carrying out or refusing to fight Blair’s policies.

It must be one that can reach out to new forces coming into activity, be it in opposition to tuition fees or to the attacks on disabled people. It means building democratic organisations prepared to link up with, encourage, and give a lead to, those prepared to struggle.

Unlike the comrades who are now known as Socialist Perpetrators we did not feel the formation of the SLP was correct; but we warmly welcome the politics encompassed in their statement.

As well as analysing the Blair project, they call for unity in action amongst all those prepared to fight it. Such a call, which echoes that made the recent Socialist Alliances Conference needs to be met with the warmth possible response by the whole Left. The absence of such calls for unity — and practical organisation towards them has been the biggest failure of the isolationist SLP.

The left will continue to disagree about many things — but we cannot allow this to prevent the most effective possible resistance to the Blair roller coaster.
Ken Coates on fighting "the incubus of New Labour"

"We must network, bringing those in the Labour Party and those outside in order to oppose this agenda."

SO: There's been a lot of confusion over your actions over the past few weeks. Can you explain what has happened, and whether you felt it necessary to pre-empt moves from Milliband?

KC: Well, that's simple. I've been expelled three times - from the European Parliamentary Labour Party, from the Socialist Group of MEPs, and from the Labour Party. There was no hearing, and I was not asked even one question. I was informed after this that there was no right of appeal.

It was only after this that I decided to sit with the GUE (Geusche Unie van Europese Partijen) as an independent Labour MEP. I chose to sit with the GUE, because it consists of socialists, and because I am following the socialist whip in exile, and from where I now sit I can see when the whips put their thumbs up or down.

I have an amicable relationship with the socialist group, the GUE, and the GUE has always been working together in the EP (European Parliament). We established an inter-group structure on employment a year earlier, to prepare for the Convention last May. I have no problems relating to any group on the European left.

SO: What do you think lies behind the moves of Blair and the Labour bureaucracy to change the electoral system for Euro-MEPs? Were they acted upon by a wish to get rid of supposed "trouble-makers", or is there more behind it?

KC: Oh, there's clearly more behind it. It would be very vain to think that they needed this mighty iron hammer merely to get rid of a couple of nuts.

In fact, any system of proportional representation to elect MEPs would provide the European Labour Party - it would have the numbers, assuming that the voting figures remain more or less the same as last time. So there would be 30 odd Labour MEPs, rather than the current 42.

What Blair and the leadership wanted to do was not only to get rid of the critics, but also to make the EPLP obedient. There is some evidence that they are pursuing this goal by changing the calibre of Labour MEPs. They would like a strong business element, and many business people would follow Blair's restrictive view of the social dimension of the EU.

The move towards feminisation of the list also goes with a Blairite shift. Of course, if we had a different Labour Party, then different women would be able to come forward. At the same time, there is no regional party structure to match the electoral regions coming into existence at the general election. I propose that the Labour establishment function as regional parties, as part of the move towards regional government.

If advice had been followed then, the Labour Party would now have a regional structure following the proposed European electoral regions. The new MEPs will represent regions, and be appointed by the party; they will not be answerable to any constituency. My region will have six members for three million voters, who will simply vote "Labour", "Conservative", "Liberal", or whatever.

SO: What response have you had to your expulsion?

KC: The response has been remarkable. I have had an enthusiastic fan mail, with hundreds of letters of support. Over 400 members of my constituency have replied to the questionnaire I sent out; 87 per cent of them oppose the changes to the electoral system, and 78 per cent are against welfare cuts. The rest favour reforms to the welfare system, some of which I would support. Reform has got a bad name now, and become synonymous with "cuts". I would support reforms to make welfare services more answerable to their users, and more accountable to their workers.

SO: What role have you been able to play as an MEP if you were to be re-elected as an independent, how would this affect your work?

KC: The issue is not about re-electing me, but opposing the incubus of New Labour.

I have worked hard as an MEP; I represent a large coalfold, which has seen mass unemployment, minimal job opportunities and widespread reliance on the welfare system. My book "Community Under Attack" discusses many of these problems, which have kept me very busy.

SO: Will you form a new party, link up with existing formations, or campaign to be re-admitted to the Labour Party?

KC: No, none of these. I have written to all members of the Labour Party NEC pointing out that it is a bit vindictive to expel me from the European Socialist Group, and asking them to confirm that there is no objection to my continued membership of that group as an Independent Labour MEP.

At one time, there were three different Italian Socialist parties in the group. But my continued membership depends on the decision of the Labour Party leadership. But I am not appealing for reinstatement to the Labour Party, because I have no right of appeal. I expect the right to be reinstated when we get rid of Mr Blair.

Nor do I want to establish a new party. Rather, I favour a network bringing together people who have stayed in the Labour Party and want to fight against the cuts, and those who have left because they oppose the cuts.

In my region, I have had correspondence from dozens of people in the Labour Party. I want to try to bring these people together, to see how we can organise. We need a wide network around a few simple demands:

* for defence of the welfare state and redistribution of wealth;
* for full employment, and against the current state of permanent mass unemployment;
* against undemocratic changes to the electoral system and abolition of constituencies. Members must be elected by the electorate, not appointed by the party leaders.

SO: We would see the attacks on welfare as linked to the drive towards a European single currency and the attempt to cut government spending across Europe.

KC: It's partly linked to the single currency, but I think you are mistaken to see this as central. The convergence criteria are being fudged. Britain in fact easily meets all of them, and is not participating for other reasons, mainly Rupert Murdoch.

Maastricht is the wrong target. Belgium and Italy will be admitted to the single currency, even though they fail by a long way to meet the criteria.

It is true that the bankers are setting the agenda, but that doesn't mean that governments can just do as they want. For instance, there are massive battles going on across Europe over a shorter working week.

This is not to say that we disagree over the effects of Maastricht; much of the discussion on this was fuelled by my report some years ago to the European Parliament on the results of its application.

But what will be a hundred times worse than Maastricht will be Agenda 2000, which governs the expansion of the EU to the east. The GDP of the eastern European states is under half that of western Europe. Most of them are under 35 per cent.

This will mean a huge export of unemployment from east to west, undermining all of the welfare provisions. It will lead to the wrenching apart of the capacity of these systems.

I am for an expansion of the EU to the east, but this must be properly funded, to protect the social gains of the post-war years.

SO: What about Blair's agenda as President of the EU for Europe-wide legislation enforcing job "flexibility"
After leaving the SLP: a statement from Socialist Perspectives.

"We have suffered many years of defeats. We need to create the conditions for some victories..."

The statement by Ken Coates, the new head of the socialist group in the European Parliament, is an indication that Blair and his clique would not countenance such opposition even if posed in terms of a "progressive" slate of candidates offering an alternative to his warmed-up and barely disguised Thatcherite offering. Their expulsion without a hearing has underlined this.

As a group of people we joined the Socialist Labour Party because we believed that a new party of the working class, in the light of the political direction of 'New Labour' and its actions of the Blair government, was necessary to fight for the interests of working people, the poor and the oppressed.

We have, however, left the SLP as a result of the growing sectarian and undemocratic methods of its leadership, which has meant that it has failed in its task of providing an alternative to those who are fighting the actions of the Blair government. However, we will continue to support a genuine socialist alternative outside of the SLP.

The statement by the two MEPs was welcome, despite its limitations. In a letter to The Guardian, Ken Coates was right to stress the need for opposition to be mobilised outside the party. However, it is clear that Blair is launching on the poorest and most oppressed.

Organisations are undergoing a transformation from the Blair government, but it needs to be organised.

We believe that there is a crying need for alliances of socialists and those under attack from this government, to campaign in defence of the public services which are threatened, disabled, public sector jobs and services, as well as opposing the various forms of privatisation which the government is applying in the case of Benefits Agency offices, the Benefit Agency Medical Service, the building of privately owned hospitals under the Private Finance Initiative and the recent announcement opening up schools to private management in Education Action Zones.

There are many other issues, of course, including the ending of student grants and the imposition of fees.

In our view there is no reason why such an alliance could not be built, bringing together those in the Labour Party resisting Blair's attacks, the Socialist Alliance, and those in other organisations, as well as unaligned activists.

We would propose discussions be opened up to try and reach agreement on a small number of crucial areas, in order that the forces of the left, and those resisting attack on their rights and benefits, can concentrate their efforts on mobilising against the attacks of the government on the welfare state and the poorest sections of society.

For our part we are convinced that a genuine socialist alternative to Blair's neo-liberal New Labour will be necessary in order to successfully defend the interests of workers and the oppressed and to fight for a new society.

We believe that there needs to be a complete political break with the politics summed up in the 'social partnership' agenda which the trade union leaders have swallowed.

This was reflected in the fact that Church and business leaders could address the TUC Conference but the Liverpool Dockers were locked out.

The sectarianism which has dominated the British left for so long must be overcome. What is crucial today is to seek to all those resisting the direction taken by the Blair government and striving to build a mass movement in defence of what remains of our gains of the post-war years. Our differences can be tested out in the light of experience.

We have suffered many years of defeats. We need to create the conditions for some victories, and to discuss how we can build a socialist alternative which connects with the living experience of millions of people.

Socialist Perspectives is a group of people involved in the struggle for democracy in the Socialist Labour Party. At a meeting on January 10 we decided to leave the SLP after the fracas of its December Congress.

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Serfs revolt in the court of King Arthur

THE SECOND congress of the Socialist Labour Party took place on December 13-14 1977. After the debacle that took place it was an open question whether Arthur Scargill’s party would survive long enough to hold a further congress. Below we print an account of the meeting and the issues arising from it from PETE BLOOMER, previously chair of Birmingham SLP and a supporter of Workers Action.

In the next issue of Socialist Outlook we will carry more material from different points of view on the evolution of the SLP and the broader question of how the left can organise against Blair’s project.

WELL IN ADVANCE of the Congress itself it was clear that decentralisation was under concerted attack.

One third of the resolutions submitted — those from the left — had been ruled out of order.

The rules about electing delegates had been changed in the recent past as part of other structural changes to try and stem dissent. It seemed clear that there would be a majority of Stalinists and Scargill’s supporters among the 250 delegates.

As the meeting got under way a number of delegates stood up to challenge the facts that resolutions had been ruled out of order. The chair moved the whole agenda to the vote and called for ratification of the constitution at the same time.

Through this manoeuvre, anyone not in the know was pressured to cast a vote in favour of the whole agenda and get them to their feet to call for a chance to hear what the real issues were. Next there were many resolutions on the question of membership eligibility, unfaustonable to an outsider.

The constitution rules that only people with one year’s ‘residency’ in Britain can join — excluding people in a usually racist way.

Amendments were also debated which raised the question of Irish people’s membership eligibility. Rather than attack the reactionary idea of citizenship, the leadership pushed legal questions of interpretation.

Scargill may protest that the reason for the rule is not racist — but he has yet to come up with any other rationale.

The possibility of organising within the North of Ireland was also not ruled out, with the resolutions on this question voted down or re-ratified.

It is inconsistent for those who oppose the partition of Ireland to support the continued organisation of British trade unions and workers’ parties in Ireland. We must stand for an independent, all-Ireland, basis of organisation.

Another amendment, to take the provision for a Black Section out of the constitution was moved by Indian Workers Association member, Harper Brar. In an animated speech he argued against the self-organisation of Black people, decrying it as tokenism.

The voting on this issue was to cause probably the greatest controversy of the weekend.

On the eve of conference North West, Cheshire & Cumbria Miners Association (NW&CAMA) affiliated to the SLP. Under the constitution a trade union affiliate commands votes according to its membership figures. It is questionable whether a Miners Welfare Association of examiners is a trade union, in which case the NW&CAMA delegate was given 3,000 votes. The rest of the conference had around 1,000 — giving one delegate an absolute majority. What a sham!

* * *

Pandemonium

Pandemonium broke out after the first card votes were announced.

The organisations had not bothered to tell the delegates of this development with the NW&CAMA — and the size of the black block. People were already scandalised.

Then the NW&CAMA delegate announced that their vote on the amendment to close the Black Section hadn’t been counted. At this stage the amendment had been narrowly defeated — but as this delegate was supporting it, this would obviously change.

The embarrassed top table mused over what to do, then called a re-vote. During this furore a number of left delegates walked out of the conference, to jeering and abuse from the Stalinist wing.

The so-called FISC-ties around the Black Section is a trojan horse, which knew about the block vote before congress and raised no objection to it. Instead they used the vote to undo the Black Section out of existence they want totalitarian.

It seems that this was a last attempt to attack them and their influence within the Black Section. Scargill went on a new tack, and cemented an alliance with the IWA. By closing the Black Section he was attacking them.

* * *

Isolation

While the SLP as its inception had the potential to become a force on the left its leadership has cut itself off from the mass movement as conduct a prolonged dogfight with Scargill and the Stalinists it is time to lead a split from it and from its sectarian isolation.

Socialist Perspective is contacting SLP members to urge them to leave and participate in the debate on the politics and perspectives of forming a new organisation outside the SLP — with the question of re-establishing the left in the high on the agenda.

Having played a small role within the SLP, Workers Action has been invited to participate in the debate on the politics and perspectives of forming a new organisation outside the SLP — together with other forces.

Workers Action is arguing for a labour movement orientation and for revolutionary socialist politics and principles to be adopted.

Message to SLP members

Agreed statement of 57 congress delegates and observers

The SLP congress has been seen to be a complete travesty of democracy. In the absence of a membership ballot, news leaked out from those recording the votes that one organisation had a bloc of 3,000 votes, a majority of over two thirds of the congress.

This meant that debate was meaningless. This organisation was seen as part of a bloc that would prevail, regardless of the view of the majority of delegates. A clear example of this was the vote to dissolve the black sections.

The congress has been denied the right to ratify the constitution or propose an alternative. The Congress was presented with a complaints/disciplinary procedure only when delegates arrived. Delegates did not have the chance to protest or voice their grievances expect to vote in what is an act of faith in the NEC.

The method of the leadership is a sectarian and profoundly undemocratic one. It is taking the organisation down the road of becoming a political sect dominated by the general secretary, in a way parallel with Blair and New Labour.

The tragedy of this is that the ‘honeymoon’ period of the government is beginning to crack. If the SLP developed as a lead faction among those who are opposed to the political direction of the government, and an organiser of struggle against it, it could quickly develop into a party of some tens of thousands.

Fifty seven delegates and observers present at the congress on Saturday December 13 convey in the membership of the SLP our complete opposition to the actions of the leadership which is destroying the possibility of the SLP growing and becoming a real alternative to New Labour.
Eye of the storm: another investment bank - this time in Hong Kong goes under, while Japanese banks reveal that they are sitting on up to £350 billion in bad debts

Marxism reveals roots of the Asian capitalist crisis

Andy Kilmister

Each week another of the formerly 'miracle' economies of East and South East Asia slips further into crisis.

This week it is the turn of Indonesia as the failing Soeharto regime desperately bargains with the IMF and its international creditors. Last week it was Hong Kong as the stock market tumbled following the collapse of the Peregrine investment brokers.

International capitalists are frantically trying to predict where the next disaster will occur. Yet they have been singularly unable to explain why the crisis emerged in the first place, or what it means for the world economy in the future. How can a region which was seen as the most dynamic sector of capitalist growth now have become its biggest problem area?

The basis of an answer to these questions lies in the analysis of the capitalist crisis developed by Karl Marx over a century ago. There were of course important differences between the capitalism of Marx's time and ours.

But the essence of the system remains unchanged and we can use Marx's approach to study the causes and outcomes of the Asian crisis. In particular, three main aspects of Marx's account of crises are relevant to what is happening today.

Marx saw one of the fundamental causes of capitalist crises as lying in the contradiction between the social nature of production in a modern industrialised economy and the isolated decision making arising from private ownership of property.

Crisis occurs because, while production is social in the sense that what happens in each individual factory, company or office affects thousands of other people working elsewhere through innumerable links, the decisions about this production are taken by individual capitalists or groups of employers, separated from society as a whole.

What is rational for one capitalist, seeking to gain profit for their own company in isolation, can if repeated by all company owners, be disastrous for the capitalist class as a whole.

So, in Asia it appeared sensible for individual companies to borrow heavily and invest in speculative ventures and property projects in order to stay ahead of the competition. But the result of this behaviour being generalised is a glut of property and a mountain of bad debts which threaten the stability of the system as a whole.

Contraction

The contradiction between social production and individual ownership is fundamental to capitalism. Many writers over the last decade, including a number who used to be seen as on the Left, argued that the Asian economies had been able to overcome this contradiction and develop a new and superior form of capitalism.

They argued that the networks of collaboration and influence in economies like Japan and South Korea between the state and business, the financial sector and industry and between industrial companies had socialised economic decision making. They claimed that these economies were based on a structure of trust and stability which would mean that crises were a thing of the past.

The events of the last year show the hollowness of this claim. In reality, the networks of influence between the state and business have been an avenue for corruption. The close relationships between banks and companies have led to the build up of risky debts. The links between industrial companies have increased the vulnerability of the whole system to defaults in any part.

The call now is for a movement back towards the free market model of US capitalism. Yet this will not remove the contradictions but only change their form.

The second element of Marx's analysis of crises which is relevant to Asia today is his account of financial crisis. Marx focused on the role of the banks and the rate of interest, but his analysis is just as relevant to the stock market.

As capitalist economies boom credit is drawn into more and more speculative and risky investments, which in turn need a greater and greater supply of finance to keep going. At some point the supply of credit dries up and due to the build up of speculative debt, one default can trigger off a reaction which feeds through the rest of the system leading to a slump.

In East Asia this has happened in two ways. Firstly, domestic finance has been withdrawn through the selling of shares.

Devaluation

Shareholders have lost confidence in the future profitability of companies. As they sell and the value of shares falls it becomes more difficult for companies to raise further funds. This can then limit further investment.

More seriously, though, the fall in the share price does not just affect future investment. It also represents a devaluation of the capital that has previously been invested in companies, either by their owners or by outside investors. That capital had been invested in the hope of future profits which now appear unlikely to be realised. Those who invested that money have seen a large part of their capital wiped out.

In economies like those in East Asia, with a high level of interlocking shareholdings between companies, this effect can seriously undermine the system. It is also bound to lead to attempts by the employers and state in these countries to recoup their investments by squeezing more profits out of the working class.

The other way in which financial crisis has exhibited itself in Asia is through the withdrawal of international funds. This has caused a collapse in currency values.

Debts

While on its own this might help exports and production in the future the problem is the build up of foreign debt in the past. The collapsing currency makes it almost impossible for countries like Indonesia and South Korea to repay their debts.

Again, what is individually rational for an international capitalist, namely to withdraw their money from the region before problems arise, threatens the stability of the system when everyone tries to do it.

The final aspect of Marx's theory of crisis which is relevant to the Asian example relates to the outcome of the crisis. For Marx the results of crises were never predetermined.

If the working class is weak, a crisis can perform a positive function for capital. Weaker companies are eliminated through bankruptcy and consequently the average rate of profit is raised. Investment and growth eventually restart on a new and more profitable basis. This is what the IMF and the international banks and investors are trying to engineer in the region.

If the working class is stronger however a crisis may be resolved in a way which, at least temporarily, weakens the position of the employers and lays the basis for future gains for workers. Up until now the working class has been relatively weak in most Asian countries, with the important exception of South Korea.

But past experience shows that in conditions of acute crisis this situation can change very rapidly, as new organisations are formed and existing ones recapture old traditions of struggle.

This is particularly relevant in Indonesia as the succession to Suharto and the future of his regime become more urgent issues.

Marxism can illuminate the causes, mechanisms and possible outcomes of the Asian crises in a way that conventional economics has failed to do. In doing so it becomes ever more clearer that there is no such thing as "Asian capitalism".

The Asian economies remain simply capitalist economies in crisis, no different in essence from similar societies elsewhere. As the impact of the crisis in Asia makes itself felt throughout the world economy, the chances are that the problems of the region will not be confined to Asia, and the same ideas of Marx will continue to be useful for analysing a world in crisis - as they have been in the past.
Small change from polls in South Korea

Terry Lawless

The election to the Korean presidency of long time bourgeois dictator Kim Dae-jung is no victory for democracy. It is however a defeat for the policy of regional divide-and-rule.

Dae-jung, previously a popular candidate in the 1970 press bourgeois elections against the repressive President Park (1961-1979), is from the Cholla provinces in the South west of the country. Under Park's rule, Kim had been a strategic pole of military, political and economic power whose centre of gravity was the Taegu-North Kyongsang provinces (TK) in the South East. He followed a conscious policy of excluding those from the west and rewarding those from his own area, the Cholla provinces.

For the first time in fifty years the presidential nominee of the party in power failed to win. The election results underline the extent to which regional antagonism is still relevant today, with Dae-jung doing markedly better in the Cholla provinces and considerably worse in TK.

Some of the continuing police-state tactics are likely to be curtailed and some but not all political prisoners released. Overall, however, this victory does not herald major progressive change. Dae-jung is a very corrupt man - as much Labour in the 1970 press bourgeois politics as he is its supposed opponent.

Kim Dae-jung has vowed to follow the conditions laid down by the IMF which specify that he has very limited room for manoeuvre. His basic goal is to pay back the Fund as soon as possible. The government is also dependent on the IMF for economic policy. The country is in a deep economic crisis and this sees to have set itself as virtually non-existent.

Court right

Kim Dae-jung has spent a good deal of time since his return to politics courting the right wing. He has taken his distance from the student movement, praised the achievements of President Park, and even addressed a gathering of anti-communists - something he would have once found distasteful.

Last month he sat firmly on the fence during the biggest General Strike in Korean history, fearing that any support he might show for the workers would damage his presidential chances. He made it clear before the presidential vote that he would support the release of labour activists and TK, Chollan and Chon and the name of "national reconciliation" of the government.

President Park had become a liability to the ruling camp between the January General Strike and November's IMF bailout. Kim had tried to rule in the manner of an iron fist, but even before the whole series of money scandals and the mounting tide of corporate bankruptcies robbed him of these claims. He had neither broken with the political corruption of the past nor created a bright future of global competitiveness.

The conviction and imprisonment of his second son, Kim Young-chul, on bribery charges following the bankruptcy of the Hasho business group summed up Kim's limitations. The fate of Hasho was a early warning of the much wider problems that the chaebols were to soon encounter.

Kim Young-sam's New Korea Party was the result of an unlikely alliance in 1990 which brought together his Fusan-based organisation with that of the TK forces of Rho and Chun. Formerly known as the Democratic Liberal Party, it was not actually renamed until June 1995 after the arrests of Rho and Chun.

The remaining was part of the attempt to "settle accounts with history" which led to the trials of Chun and Rho on charges of murder and massacre. There was a large element of opportunism involved since Kim Youngsam used them to stamp his authority on his supporters - the TK forces.

Retrospectively it is also ought to be seen as a genuine, limited attempt to reverse the bourgeois rules of the game to rule out the violent overthrow of the constitutional order by the Army. The verdict however did not rule out the violent suppression of pro-democracy movements in the future.

The Washington Post suggested recently that Dae-jung will have to preside over a National Assembly majority hostile to his interests, but this result from the mistakes application of western party political norms to Korea.

Labour candidate Kwon Young-gil suggested in a recent interview with the Korean language progressive monthly, Mal, that organisations like the Grand National Party should not be honoured with the title "party." They lack the most elementary of programmes; and never out last the defeat, defection or imprisonment of a leading personality.

This explains why figures seemingly from the right and left of the Korean political spectrum can unite with a minimum of ideological hassle.

Even though Kwon Young-gil's "People's Victory 21" said that it was building for the future and did not expect in candidate to win, it must have been disappointed with the election result. Overall, Kwon Young-gil took 1.2 per cent of the vote to finish fourth in the field of seven. The campaign suffered from lack of money and the monopoly of media attention given to the three bourgeois candidates.

Falling unionisation

The concentration of Korean union membership in large and heavy industrial concerns did not help. The overall union rate in Korea has fallen from a high of 18 per cent in 1987 to 12.6 per cent today.

There are restrictions on employers and civil servants forming unions. There are also still legal restrictions on union officials' electioneering activity. At least two union leaders were arrested for supporting Kwon in front of their memberships.

The election was virtually timed for final exams week. This may have limited the student vote to some extent, even though polling day itself was a national holiday.

The biggest problem, however, is undoubtedly the difference between a bourgeoisie and a worker candidate. The majority of progressive students undoubtedly voted for Kwon "wane" their vote. Political education must be a priority for the new labour party.

The whole economic strategy pursued by this so-called Asian tiger is in chaos. Average income has been halved in a matter of months. The socio-economic crisis goes on.

In 1996, the total market value of the listed stocks came to 117.37 trillion won (US$89 billion), at an exchange rate of 844.2 won/dollar. On Christmas Eve 1997, it stood at 66.32 trillion won (US$25.31 billion), at an exchange rate of 1,604.80 won/dollar. That means that 20% of the entire stock market of the Netherlands, the world's seventieth largest corporation, whose combined stocks total 84.7 billion.

Korea has bailed out three times: in 1997 (by the IMF), in 1983 (by Japan) and in 1997 (by the IMF) and thirteen countries at the time of writing.

This indicates a fundamental structural crisis - a labour and corporate strategies on which the chaebols are based leave them highly exposed the steep drop in the price of a given commodity as well as the tendency of the rate of profit to fall.

When Hanbo collapsed in January 1997, its debts amounted to sixteen times its net worth. When it crashed, the reverberations were felt across the entire economy.

Debt

Each of the failed chaebols has gone under leaving a vast on the share debt. Hanbo was unusual only in offering a textbook illustration of political corruption and mismanagement. Hannu, one of the top twenty, had debts amounting to twenty times its assets when it crashed in November.

The long economic boom of the Asian region appears to have entered a period of development with an unknown stagnation in the future with levels of profit falling below 5 per cent for the first time in twenty-five years.

The region is in crisis because of what Marx called "cyclical fluctuations of the rate of profit to fall with the generalisation across the region of a given level of technological infrastructure. South Korea recently celebrated the sale of its tenth million car, for example.

The breakdown up of the chaebols will probably now occur under the auspices of foreign capital and within democratisation. The lack of democratic control will facilitate foreign take-overs under the worst possible terms for Korean workers.

The failure to contain the Korean government was the ending of rules under which a whole range of Japanese goods, including cars and electronic goods, were pre-

from entering the domestic market.

Because Park slavishly imitated the American corporate sharpshooters. By the end of next year, the ceiling on foreign ownership of domestic firms, raised to 55 per cent on December 30, will be eliminated entirely.

The government's own plans for an industry would create a potentially explosive dynamic, with the re-emergence of ill-disposed class and national grievances. The Japanese government will have to proceed cautiously, with nominal control remaining with Korean owners.

What of the possible fightback by the unions? The battle, if it comes, will be in heavy industry, a repeat of the general strike of December 1997. This time, it will be the IMF that will be pressing the unions, not the Korean bourgeoisie.

New labour law

In order to carry out the financial reform promised to the IMF, the government has to rewrite the labour law. It is expected to try to do this in January or February. The Korean Confederation of Trade Unions has promised an all-out general strike should this happen.

Two issues are likely to be central to any new law. The first is the provision regarding redundancies in the case of mergers and acquisitions. The government must ensure that if the Korean economy is to become respectable for foreign investment.

Then there is the legal stipulation that workers must be compensated before being laid off in the case of bankruptcy. This is crucial since Korea has no unemployment scheme in the case of lay-offs.

The state-sanctioned union organisation, the Federation of Korean Trade Unions, is more friendly to the IMF. Its leader, Park In-sang, suggested in a recent meeting with Dae-jung that he write to the IMF and other Western donors pledging his organisation's cooperation to obtain the terms of the bailout agreement.

These are pretty bleak times in Korea, but Koreans have not lost either their rich sense of humour or rebellious spirit.

The state of the trade unions in Korea is about the meaning of the word "labor". We are only 1960s trade unionists. It is clear that the unions actually stand for the words: "I'M Fired". The student movement has recently improved upon this little piece of mordant wit. What does IMF stand for? I'M Firing.

A longer version of this article will appear in International Viewpoint.
New Labour meets old Partition and old Sectarianism

Why Adams has been left empty-handed

David Coe

The suggestion that the effects of terrorism on the British Government has only to look at the Mowlem's pathetic scurry into the Maze Prison to see the leaders of the loyalist death squads of the UDA/UFF and the LVF.

The LVF has been killing Catholics all year but it was only when the UFF joined in that Mowlem rushed to placate them. Now the "peace" talks can continue but the Taigas have had a good lesson: drop the mild demands for reform or you'll be massacred.

Which, by some fluke of history is what Bloody Sunday in January 1972 was about, except that instead of the lesser to the greater Taiga was dished out by the British Army. Their demands, an end to discrimination in housing, an end to internment without trial and one person, one vote, could not be conceded by the Unionist regime at Stormont.

This was not only because the Unionists were bigotry (which many were) but because the Six County statelet itself had been built on sectarianism and the smallest concessions could cause the whole rotten structure to collapse.

Both of these events show the true nature of Unionism. Unionism and its working class variant, Loyalism, is an alliance between the British ruling class, the Unionist bourgeoisie in Northern Ireland and a substantial part of the working class organised in the Orange Order.

The "democratic" rights of the Unionists are neither democratic nor right. Partition was imposed by the British in 1921 under the threat of "immense and terrible war" against the democratic wishes of the majority of people in Ireland. Sectarianism is the tool used by the Unionists to divide the working class.

Every attempt at reform comes up against the same threat of a sectarian bloodbath. In case you think this is an outrageous slander on "new" Labour, consider therecent ramblings of John Lloyd, Deputy Editor of the mouthpiece of New Labour, The New Statesman.

Lloyd has recently been very publicly welcomed by the Daily Telegraph to the "Friends of the Union" meetings. This unsavoury mixture of Tories, Unionists and their media supporters, has one merit. It is open about its aims - no deal whatsoever with Irish Nationalists.

“Take on the IRA”

Lloyd is in favour of doing a deal with Gerry Adams, though nothing can be conceded which endangers the Union. If Adams doesn’t deal, then “Adams and the IRA must be expelled”.

According to Lloyd the Nationalist position cannot be justified (on democratic grounds). Partition (in 1921) saved Ireland from civil war (1) and the South’s claim to the North is “justified” (likely to be worthless if tested in international law”.

So Britain’s claim to the North of Ireland in the 1920 Government of Ireland Act is perfectly all right, then? I only mention this ignorant bovine rumbling because of what it shows about the direction of Labour’s policy on Ireland.

Blair is a unionist: we know because he’s told us. We want to understand the British State using, among other things, devolution. The settlement on offer to the Republicans, since at least 1994, is a newer model of the old Stormont Government abolished in 1972 after Bloody Sunday.

No British withdrawal, no self-determination, no Irish unity, though there may be a few cross-border committees dealing with tourism and spending EU money.

If there’s no threat to the Union, as there clearly isn’t, why the “Friends of the Union”, why the refusal by a significant part of the Unionists to take part in the “peace” talks which are designed to put the stamp on these proposals?

Why the murderous sectarian campaign of the late and lamented Billy Wright and his Loyalist Volunteers? The main reason, correctly seen by loyalists and “Friends of the Union” alike, is that the Six County State cannot be reformed. The most minor concession exposes its sectarian core.

It was imposed by force against the wishes of the majority in Ireland, and it can only be kept in place by sectarian gerrymandering and corruption which was the hallmark of the Stormont regime.

Even after 25 years of direct rule, Catholics are still nearly two and a half times more likely to be unemployed than their Protestant neighbours. Any reforms, however minor, could bring the whole sectarian strucure crashing down. This is what lies behind the ongoing complaints and threats by Unionists about the “concessions” which Blair and Mowlem have apparently made to the Nationalists.

The truth is that, apart from transferring some prisoners to Ireland and setting up a parades commission, the British have given nothing to Adams to sell to the base of the Republican movement.

In order to keep the Unionists in the talks Blair’s New Labour Democrat document which came back some of the meagre gestures already made. The tensions in the Republican movement are straining to breaking point.

There is undoubtedly within the British security apparatus, as there is in Dublin, a significant element which, in John Lloyd’s words, wants to “take on the IRA”. These elements are correctly seeing that there can be no compromise between the British ruling class and Irish Republicans, are represented politically by “Friends of the Union”.

If the “peace” talks collapse following a Unionist walkout (and, remember it was the Unionist veto which prevented a broadly similar deal being done in 1974), or because of a sectarian murder campaign by loyalists angry at “concessions” to Nationalists, it is easy to see a slide back into a bloody war between the Loyalists and the British on one side and Republicans on the other.

The Socialist Party and Workers Liberty (among others) see the British presence in Ireland as at least preventing the civil war which would, they believe, follow British withdrawal.

Treating the Unionists in the Six Counties as a democratic majority leads them to portray the Nationalists’ struggle as anti-democratic - and also dovetails neatly with the justification used by the British ruling class for its continuing presence in Ireland and for calling the IRA terrorists.

We have been here before. Militants (as they were then) remained neutral on the Malvinas War, on the basis that Argentina was a military dictatorship, a thin enough fig-leaf to cover their refusal to break from the British ruling class’s definition of “democracy”. Their stance, should there be a renewed outbreak of war in Ireland, is easy enough to predict - support for the British State against the “undemocratic” republicans.

Objectively, this would be to take the side of the British State as it pursues a genocidal war against Irish Republicans - the ultimate response all British governments to anyone who threatens its interests, but fought, of course, in the name of “peace” and “democracy”.

Which brings us back to “terrorism”. The Loyalist paramilitaries are the only true terrorists in Ireland in the sense that they kill nationalists indiscriminately in order to cow them into submission.

The important point is not whether the British also use these methods - they undoubtedly do, directly and indirectly - but the fact that their political aims are identical to those of the Loyalists, as Lloyd’s outburst shows.

Many on the left in Britain refuse to support withdrawal on the basis that it would lead to a bloodbath: such an outcome is much more likely to follow from Britain’s desire to remain in its old colony.
Teamsters leader falls to trumped-up charges

WHILE BILL Clinton struggles to zip up the burgeoning scandal in the White House, an increasingly vicious political witch-hunt is brewing as the courts and the right wing press gang up to purge the US unions of any hint of class struggle leadership.

The first victim of this so far has been Teamsters union President Ron Carey, the militant candidate promoted by Teamsters for a Democratic Union (TDU). After he had led 185,000 strikers during last year's inspirational battle with United Parcel Service (UPS), corporate America's eighth largest financial giant. Carey's election in 1996 was ruled invalid, and he has been barred by the court for running for reelection against the old guard candidate Jimmy Hoffa Jr - all on the basis of trumped-up charges of financial irregularities.

But it is increasingly clear that the US bosses hope to move on from Carey to attack the new-style leadership that has brought signs of life to the US equivalent of the TUC, the AFL-CIO.

Anchored campaign in Carey's defence has been joined by American co-thinkers of the Fourth International.

FROM the point of view of the US employers, Ron Carey, who led the Teamsters' recent victorious strike against the giant UPS corporation, has been too effective as a working class leader for their taste; they don't want his example to take root and spread. That is the fundamental reason behind the various "legal" moves against him - not any alleged concern over "corruption" but a fact, big business thrives on such things.

Left wing journalist Alexander Cockburn has warned about the mounting "Witch Hunt" against the labour movement:

"A witch hunt advances methodically. Suits with Carey, an indubitable reformer, who with no real reason had to fight for re-election against James Hoffa Jr, a man well freighted with board associates and bulging with cash. Harass Carey, and ignore Hoffa, who raised $2 million in unaccountable funds.

"Now harass the [AFL-CIO] leaders, those project Carey is vital. Now probe anyone trying to build a combative... even radical labour movement. Get them on the run. Get them in front of a grand jury. Get everyone frightened and persuaded that trying to build a radical, combative labour movement is against the law." (Nation magazine, November 17)

The employers are furious over the defeat of UPS, brought about by the Carey leadership's mobilisation of the union rank and file and winning of public support for full-time jobs with good pay, good pension plans, and other needs felt by working people.

Four days after the UPS victory, the election officer appointed by the judge overseeing the Teamsters under the 1989 "consents decree", annulled Carey's election.

As his televised press conference the night of the UPS settlement, Carey spoke as a voice for millions of American workers troubled and frightened by the loss of decent jobs. He had the audacity to declare that the economy should be run a different way.

The mainstays for the giant corporations answer with an intensified attack on labour. Class struggle leader Carey is now ruled ineligible to run again for the Teamsters' presidency - by a former federal judge and current corporate lawyer, Kenneth Comedy.

New York Times columnist William Safire, the former speech writer for "Tricky Dick" Nixon, is leading the corporate counterattack by siccing the new leadership of the AFL-CIO of "money laundering" and "corruption."

Several different vehicles of ruling class policy are working in tandem in the present intensifying campaign against the unions.

As a leader of a UPS Teamsters local in New York for decades, Carey established a record of honesty, incorruptibility, and determination to fight for his members that was highly unusual in the extremely bureaucratised, Mob-connected Teamsters union before 1991.

Even the government's "Independent Review Board" - which was imposed on the Teamsters as a result of the 1989 consent decree - cleared Carey in 1995 of all sorts of fabricated charges of Mob connections and corruption, charges brought by Carey's old guard opponents, the great granddaddies of Mob connection and corruption.

Carey's mistake was to uncritically accept and place his trust in the Democrat-connected consultants and fund-raisers recommended to him by other unionists. (William Hamilton, formerly with public sector union AFSCME, a man who had many Democratic Party connections, became political affairs director for the Teamsters).

The Ward Street Journal of December 5 has suggested that the government is "looking in many previously unquestioned areas of the union's finances," including organizing funds.

As the Teamsters gear up for the fight against the big freight corporations, with the new Teamster Master Freight Agreement expiring March 31, the government may try to hog-tie the union by challenging the way it uses its funds to fight the bosses.

It was Hamilton's associates, Jere Nash, Martin Davis, and Michael Anzarra who apparently refurnished Teamster money contributed to pro-Democratic campaigns to pay for mailings and other services of their own for the Carey campaign. They didn't forget their own profit in these shady dealings.

These hunters, probably well aware of Carey's honesty and record of integrity, kept their operations to themselves. But U.S. Attorney Whitman, sented by the Safries of the press, encouraged them to "fall" on Carey.

The important fact is that, despite his mistake in trusting any question of his ability to head the union. Carey demonstrated beyond any question his ability to head the union. Carey demonstrated beyond any question his ability to head the union in standing up against the employer.

Rank-and-file Teamsters, and all workers, need the kind of leadership Carey can provide. The Teamster ranks deserve the chance to vote for him again. They should have the right to choose whether they wish from within their union to lead their organization.

Union members' right to choose their leaders is a fundamental part of the freedom of association that must not be infringed on by government. Government control of unions is a hallmark of fascism and Stalinism.

The "Labor Subcommittees" of the U.S. House of Representatives, headed by Michigan Republican Peter Hoeks- tets (a recipient, according to Alex- ander Cockburn, of the maximum legal campaign contribution from none other than UPS — and of who knows how many other less public- ly recorded workginga for hire services to the corporations)."Safire announced that Hoekstra was going to go after AFL-CIO Secretary Treasurer Richard Trumka and President Larry Venezia for "failures to be straight" and "slip-ups" in hearings beginning in December.

Thus we see an entire web of government operations - employers, government officials, rank-and-file Teamsters, the Teamsters' General Executive Board - with the help of government (and CIA) agents, upper reaches of police, and other federation ideas, move forward. They have much to gain by considering Carey's case, and much to go wrong to bring black to the black old days to the profit-hungry "free market" companies that for two decades and more has been waging its "one-sided class war against American workers."

One obvious conclusion from the whole present situation is that labour needs its own independent political vehicle, a labour party based on the unions. Labour cannot leave the political arena to the fat cats, unchallenged. Victories gained on the economic front, on the picket line and at the bargaining table, can be snatched away on the political front, by the employer-controlled web of government institutions that we have seen put into operation against the union leaders - and potentially against the AFL-CIO.

We need to demand that the government back off. "Hands off the Union leaders, hands off the union leaders."

Will the union leaders see their way clear to fight back as needed against the arrogant hands of the law and government? If they don't, their states, and the best interests of their members, will be seriously endangered.

* The above article has been adapted from articles in the US Bulletin in Defence of Marxian
Students lead German fight for welfare

Sasha Kimpel in Berlin

AFTER YEARS of depoliticisation, the student struggle in Germany is at last showing signs of life. Young people have taken to the streets in protest against the policies of the government, which they see as being unfair and unjust. The protests have been peaceful, but they have succeeded in raising awareness of the issues involving students' rights and the government's policies.

The latest wave of protests started with an occupation of the main university in Berlin. The students occupied the university buildings to demand better living conditions and more democracy in the educational system. They also demanded an end to the high fees charged for education, which they see as a form of exploitation.

The struggle has spread to other cities across the country, with students taking to the streets in solidarity with their comrades. The protests have been met with a heavy police presence, but the students remain determined and continue to fight for their rights.

The government has tried to dampen the protests by offering concessions, such as a decrease in fees and an increase in the number of places in universities. However, the students are not satisfied with these offers and continue to protest.

The struggle is not just about education, but also about workers' rights and the economy. The students are demanding a fair share of the wealth and a say in the decisions that affect their lives. They are challenging the power of the established order and demanding a more democratic society.

The struggle is not just about Germany, but about the whole world. The students are part of a global movement that is challenging the capitalist system and demanding a more just and equitable world.

The struggle is not easy, but the students are determined to win. They are fighting for their rights and for a better future. They are showing that the power of the people is stronger than the forces of repression and exploitation.

The struggle is not just about the students, but about all of us. We are all part of this movement, and we must support the students in their fight for justice.

The struggle is not just about the present, but about the future. We must fight for a world that is based on equity, justice, and freedom. We must fight for a world where all people are treated with dignity and respect.

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Your food is their business – now it's time to stop them poisoning us!

Roland Rance

The government's decision to establish a food standards agency has been widely welcomed, even before its remit has been revealed. Suddenly a day goes by without another scandal or scare about food.

But it will have to do more than police butchers and take-aways if it is to ensure that our food is fit for purpose. Under a profit-based system of food production and distribution, considerations of safety, nutrition and palatability take second place to the balance sheet.

The FSA is likely to take responsibility for hygiene at point of sale.

This has been the source of many of the cases of food poisoning in recent years.

The e. coli epidemic in Scotland last year, in which over 20 people died, resulted from careless handling of meat. Not all vegetables are necessarily safe; similar epidemics in Japan may have been spread by infected radish sprouts.

Cases of e. coli, salmonella and campylobacter poisoning have increased by hundreds of percent over the past 15 years, while overall food poisoning in England and Wales has more than quadrupled over the same period.

Trading standards

This has happened at a time when local government budgets have been slashed and 'red tape' repealed, leading to a drop in the size and authority of trading standards departments.

At the same time, changing lifestyles have led to less homemade cooking, and more eating out, take-aways and microwave use, all of which increase the chance of bacteria multiplying.

The FSA will probably oversee abattoirs, whose appalling state is a further casualty of deregulation.

145 of the total of 1,918 have been officially found to fail far below acceptable standards of hygiene. In addition to bacteria, this is believed to have contributed to the spread of BSE across the animal kingdom.

Despite hygiene regulations insisting on the complete separation of brain and other organs from the meat, reports regularly refer to the contamination of carcasses by such offal.

Although many scientists believe that the increase in consumption, following on from the feeding of dead sheep to naturally herbivorous cattle, is the source of human BSE, others, noting the similarity between the symptoms of BSE and Gulf War syndrome, have pointed the finger at overuse of organophosphates in modern agriculture.

The widespread use of fertilizers, herbicides and pesticides has meant that countless chemicals have been introduced to our food.

As yet, little official research has been carried out into the possible cumulative effects of these. However, many researchers believe that they are implicated in the mushrooming of environmental diseases, such as asthma, as well as in disorders of the immune system and other 'new' diseases such as AIDS and ME.

These chemicals, which are supposed to control weeds and pests, and to improve yield, in fact produce crops which require more and more chemical treatment, while breeding chemical-resistant weeds and parasites.

The much-vaunted 'green revolution' of the 1960s and 70s, which was supposedly going to eliminate famine in Third World countries, in fact increased hunger and poverty. It tied these economies even more closely into western patterns and control, and depleted the quality of the soil.

Since only the wealthiest peasants could afford the non-indigenous crops and the necessary chemicals, this process also accelerated the immiseration of millions of poorer peasants, while increasing the profits of the chemical industry.

Another issue that the FSA is unlikely to look at is the massive use of antibiotics and hormones in farming. It is increasingly clear that antibiotics in meat and dairy produce are encouraging the development of resistant strains of disease.

More virulent forms of, for instance, tuberculosis, resistant to almost all current antibiotics, threaten new epidemics, sweeping through populations left with little means to combat them. Cattle are also treated with hormones in order to boost milk production; these hormones, which enter the human food chain, have been known to disrupt human hormone systems.

Additives

These artificial additions to the food chain are not made in order to improve the quality or nutritional value of the food, nor even to produce a higher yield. Despite all the myths, there is no world shortage of food; the central inequality is that of distribution.

Agribusiness is denaturing our food, poisoning us, starring millions, and making us pay handsomely for the privilege. These are the issues that the FSA will not be addressing.

The most graphic and obscene example of this is the EU's Common Agricultural Policy, which pays farmers to 'set aside' land, to not produce food, in order to reduce the so-called 'muster mountain', 'wine lake', and other bizarre features.

Meanwhile, western economies import vast amounts of grain from third world countries in order to produce meat – effectively forcing some states to rely on exporting cash crops rather than producing for local consumption. This claim was one of the many allegations against McDonald's upheld in the recent 'McLibel' trial.

This is also the reality behind genetic engineering. The main purpose of the gene transfer proposals is to develop crops which can absorb even higher quantities of herbicide without themselves being killed. Multinational chemical companies, such as Monsanto, will provide genetically modified seed to farmers who will be obliged to dose the crops with weedkillers from the same companies.

Farmers will not be permitted to take seed from one year's crop to grow the next year, but will have to buy more from the company. Thus, as with the 'green revolution', farmers will be forced into reliance on the chemical industry. Poorer farmers will go bankrupt, and the industrialisation of agriculture will increase the destruction of nutrition and health.

Hazards

Although it is true that bacteria have been with us for millennia and that pesticides, crops and animals have been domesticated and used in agriculture poses several major health hazards. It could lead to the development of herbicide-resistant weeds, the spread of diseases from one crop to another, the loss of biodiversity, and many other dangers.

However, it will not be compulsory to identify genetically modified toxins and allergens. It could further mean the development of herbicide-resistant weeds, the spread of disease from one crop to another, the loss of biodiversity, and many other dangers.

A survey by the consumers association established that over 90 per cent of consumers want genetically modified foods to be clearly labelled. But such labelling, giving consumers choice, would hit profits hard.

The McLibel trial last year showed the extent to which food companies can determine their diet, to the detriment of nutrition, third world economies, and their own workers. Workers in a few large companies suffer some of the worst working conditions. Cases have been recorded of trainees receiving far less than £1 per hour.

Boakye-McCord has been accused of turning huge areas in South America from productive arable land into vast cattle ranches.

For many years, activists have boycotted Nestle products, since the company has been one of the worst offenders against the World Health Organization's Code of Marketing of Breast-milk Substitutes. These practices are inevitable in a capitalist economy, based on profit rather than nutrition or need.

Silent left

Unfortunately, many on the left have failed to take up these issues unless they directly affect workers' rights, such as in the dispute at JMF in 1996. But questions about the taste and nutritional value, third world exploitation and the perversion of science for multinational profit, are vital issues for the working class.

Agribusiness is denaturing our food, poisoning us, starving millions, and making us pay handsomely for the privilege. These are the issues that the FSA will not be addressing.

While we can and must join with environmentalists, even with whacko greens and libertarians, in campaigning around some of these issues, we must not lose sight of the central point: only through the fight for a socialist society will we be able to create a system for the production, distribution and preparation based on need rather than on profit.
**Socialist Outlook**

**EUROPE 21**

Early days on the road to the super state: in 1957 six countries came together in Rome to sign the document which set up the EEC and EURATOM.

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**FORTY YEARS on from the Treaty of Rome, it is timely to assess whether the Europe of the single currency is a simple evolution from that born out of the cold war?**

As the European Union prepares for the single currency next year – its biggest step yet towards a European super state – Alan Thornett looks back at the origins and evolution of the EEC and the various stages in its development.

He argues that there have been two distinct periods in the process of European integration. The first was from the founding of the Iron and Steel Community in 1950 to the Single European Act of 1985, and from that point to the Maastricht and Amsterdam Treaties of today.

**THE EUROPEAN Union today is the result of a process of European integration which has gone through several distinct stages of development.**

This process was a product of first of cold war politics and then of world economic developments in the 1980s and 1990s – principally increasing competition between the main world power blocks of Japan, the USA and Europe itself.

Several factors shaped the thinking of key European governments in the immediate post-war years. France, in particular, wanted to establish a weakened and divided Germany into an almost post-war European set-up in order to avoid another war.

West Germany was willing to follow that path if for no other reason than that its post-war leaders wanted to demonstrate a break with the past. They also perceived this as the best prospect for reunification on offer at that time.

At the same time, the USA wanted a bulwark to Europe against the East, particularly after Stalin developed the bomb and Churchill launched the cold war. An integrated Europe, and a united Germany as part of it, was the best solution.

These factors created a powerful pressure towards some form of European integration which would supplement NATO, which had been formally created in 1949.

There were serious divisions from the outset – divisions which are still reverberating today. They were epitomised by the pro-British Tory Party. De Gaulle saw European integration as a means of countering US domination, not increasing the power of Britain's links with the US. He had already rejected NATO on that basis, and was developing an independent military capability. It was a potentially dangerous division, but for the USA at that time the needs of the cold war were paramount.

It was against this background that the first building blocks of European integration were put into place. The Iron and Steel Community was formed in 1951, then the Treaty of Rome, which formed the much wider Common Market, or European Economic Community (EEC), was signed in 1957.

The EEC was principally an economic block, a customs union of states. Britain did not initially join, and in 1962 the Gaulle-rac ed Britain's application, seeing Britain as potentially a Trojan Horse for the US.

Pressure from both the dollar and the pressure created the European Monetary System (EMS) as a way to counter the devaluing effects of the collapse of the Bretton Woods arrangements, which had linked the dollar to gold after the war. It was, in effect, an early step towards a single European currency, although of course it was not presented as such at the time.

**French A-bomb**

By the end of the 1970s France, still outside of NATO, had developed its own nuclear capability and now had the bomb. It had avoided, for the time being, the domination of either West Germany or the USA. Britain had now joined the EEC which diluted the weight of Germany for a time.

By the 1980s, however, the attempt to contain West Germany by institutionalisation was increasingly at odds with the strength of the German economy and the deutschmark, which by then was the strongest currency within the EEC.

**Cold war**

The US meanwhile was becoming less enthusiastic as it saw the EEC as a potential rival power block in newly developing world economic conditions, but it remained the best option given the continuation of the cold war.

By now the EEC was becoming more than a customs union. Substantial supranational structures were already in place. There was an elected European parliament – though with limited powers.

There was also the Council of Ministers, the real power house of the whole thing, a European Commission, with its own President and with extensive executive powers; a High Court with jurisdiction within the member states; and the power to levy financial contributions on the member states. The structures of a superstate were evolving.

This evolving structure was driven by the changes taking place in the world as a whole. Europe now had to fight its corner with the US and the USA in an increasingly global market. It had to do this under conditions of international recession.

The Single European Act of 1985, signed by the Thatcher government, was a further response to these developments. It was the biggest development since the Treaty of Rome towards deeper levels of integration, and changed the project from predominantly economic to predominantly a political one.

It developed the structures of the EEC by introducing qualified majority voting within the Council of Ministers.

The next major step was the Maastricht Treaty, signed on January 1, 1994. The name of the project even changed from the EEC to the European Union.

**Single currency**

Maastricht set out the biggest steps yet towards the structures of a super state – a single European currency. This would be controlled by a European central bank and accompanied by the development of common social, defence and foreign policy.

By this time Germany was poised to establish continental hegemony. Not only did she have the strongest economy and currency but unification gave her a population of over 80 million.

The collapse of the USSR also altered political relationships within the EU. The suspension of the bomb by France and Britain no longer gave them diplomatic weight against Germany as a non-nuclear power.

Many of the Eastern European ex-Stalinist countries, along with ex-Soviet republics, were beginning to clamour for entry in order to complete the process of capitalist restoration in the most painless way. This could potentially double the number of states within the EU and create new internal problems.

The immediate and central issue, however, was EMU. This was a new policy area for the member states and hand it over to the central bank. It is tied to stringent criteria for entry – the exchange rate criteria and the stability pact – which are precipitating huge attacks on the welfare system rights across the continent.

Without exchange rates fluctuation, only wage costs and job losses can act as regulators. With already 20 million unemployed in the EU, this would further institutionalise unemployment in Europe and create huge depressed regions.

The EU of the late 1990s, with its 15 member states, represents a significant group in the world economy. It has a combined GDP of about US $6 trillion against $5 trillion for the USA and $3 trillion for Japan. It has a total population of about that of the USA and Japan combined.

The EU at its present stage of development, prior to the full implementation of the logic of the Maastricht and Amsterdam treaties, is a common market with important features of a super state.

The battle of the power blocks is therefore still not a battle of equals. The USA and Japan have political advantages which the EU cannot match. It is the result of this problem which lies behind the project of the 1980s and 1990s to transform the Common Market of the 1960s and 1970s into the super state of the next century.

The aim is not a replication of the USA or of any existing capitalist state. This will be a new type of state structure which will not replicate all the characteristics of the nation state, but will be a state structure just the same.

**Welfare**

Europe has a problem in competing with America and the Pacific rim, because of the high level of welfare here. Cutting this is the strategic objective of the convergence criteria and the Stability Pact. This coincides with a worldwide neo-liberal offensive which is attacking welfare – even in areas where there is very little provision.

The advent of the single currency, more than any other individual factor, is posing a challenge to the post war consensus across Europe. That consensus was committed to welfare provision and at least the ideal of full employment as a guarantee of social peace.

Now this is being ripped up before our eyes – and the most of the traditional leaderships of the working class are responding by calling for further increases.

New leaderships will be forged through mobilisations such as the struggle of the Renault workers and the magnificent actions of the unemployed in France.

The European marchers have played their part in beginning to pose an alternative – a truly social and internationalist Europe. The massive mobilisation in Amsterdam last June, in particular, was a demonstration of that.

Under the British Presidency, we must work to ensure that the demonstration in Cardiff in June 1998 will also be one to be remembered.
Straw’s drug policy goes up in smoke

Mark Jansen

THOSE OF US who use recreational drugs may often have to deal with reactionary prejudices and social taboos about what is termed “drugs.” This can be particularly difficult when dealing with those who have been convinced by media scare stories about drugs. Imagine how much worse this would be if one of your parents was actually leading an anti-drugs crusade. Or to take this a stage further, how much worse this could be if your father was a high-ranking Home Secretary who continually lectured people on the evils of drugs, youth crime and on ‘bad parenting’.

For William Straw, this Christmas has been unmerciful. He has been an absolute nightmare, being hounded by the media over a miniscule piece of hash (less than 2 grams) in addition to having to cope with the bag, which is known as “the stoner strain” and is a mixture of drugs and tobacco.

**Capitalist investment**

Both the tobacco and alcohol industries are enormous capitalist concerns which bring in vast revenues to the companies and to the government. The legal drug companies and the government have a vested interest in maintaining the status quo.

The massive increase in the use of such drugs as cannabis and ecstasy in the industry and they must be deeply concerned to stop this trend. With cannabis in particular there has been an enormous growth (excuse the pun) in the home-grown industry. It is now within the reach of many people to grow their own high quality plants at home. This would obviously be of concern to the government and of legal drug companies.

Some drugs may be more or less harmful than others. Many drugs can be used in a relatively harmless manner but could also create a potential drug problem if used habitually. But the use of the all-encompassing term “drugs” cannot really encourage an informed debate.

The term “drugs” is used to mean almost exclusively those substances that are banned by the state. By far the most widespread drugs, and the two that cause the most number of deaths are tobacco and alcohol.

**Crass propaganda**

Such experience would convince anyone that the junkie stereotype is at best not entirely true. The crass anti-drug propaganda can only encourage people to ignore any information they receive about the harmful effects of drugs.

The CIA made cult classic film Reeper Badness was produced over sixty years ago, but no governments have learned from the failings of such propaganda, because they have no interest in learning.

The left as a whole has been rather confused on the issue of recreational drugs ranging from complete libertarian positions to the puritan view that drugs are a ‘diversion from the class struggle’.

The state has often used drugs to pacify the population and disorganised its enemies, such as the CIA’s involvement in introducing crack and cocaine to US ghettoes or the import of cheap alcohol and the townships of apartheid South Africa.

At certain points of heightened struggle socialists might argue for a ban on drug use within the movement.

But at the moment we should argue for accurate information on the dangers and benefits of any particular drug to be widely available, for education programs to deal with specific problems of drug dependency, and for strict quality control of all drugs. This could only be achieved through the democratisation of all drugs which in turn would mean a fight with the tobacco and alcohol companies.

1998: 60 years of Internationalism

1998 marks the sixtieth anniversary of the Fourth International, the organisation founded by Leon Trotsky and after Lenin’s death had been irreproachably destroyed by Stalin.

The Fourth International is resolutely internationalist and fights for socialist revolution and in the defence of the working class and oppressed where ever it has supporters.

The Fourth International has a strong and rich record: it was central to mobilisations against war both in America and across Europe.

More recently it opposed the Gulf war and the war against Bosnia. The Fourth International opposes the right of women and other oppressed groups to autonomy in the fight for their liberation. We have been deeply involved in the campaigns against abortion and other human rights.

The Fourth International participated in last year’s European marches and in the Amsterdam march that followed. We intend to continue to organise against unemployment, cuts and social exclusion and be part of the networks and mobilisations of those that are growing against the Europe of the bosses.

Socialist Outlook supporters are proud to be part of the Fourth International and are committed to propagating over the last decade have been to support its campaign against educational pri-

Oral history project

Third Women’s School

Broke like beads

"THE IRE's one-month Women’s School in July 1997, the third session of this innovative group of seminars was the best-attended session ever. In fact we have never had to turn so many candidates away, not only for lack of money but simply for lack of room."

Conservatism has been defeated and there are more participants from all over the world.

The majority of participants are usually the students of the world and their participation is only possible through the fiscal contributions of those in the richer parts of the globe.

Here we publish a report by Tatiana Golzheva on the highly successful month Women’s School took place last summer - an event that we intend to repeat this year if funding and other constraints are not an obstacle. So write that cheque!

Vital resources for women class fighters

ASSAL and its direct competitor, the traditional work of the Fourth International (FI) is in close touch with others we work with. The International Institute for Research and Education (IIER) in Amsterdam is closely linked to the FI and provides very important resources.

These include the maintenance of an enormous library of Marxist resources and texts in a number of languages, the publication of the monthly newspapers Study and Research and the regular organisation of seminars and conferences on various topics from all over the world.

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After a gap of four years the success of this seminar, both in attendance and in its development, makes clear the need to continue with a specific programme on feminism and women's struggles.

The week was attended by 28 women from 16 countries all over the world. The group of seven Latin American representatives from Uruguay, Brazil, Ecuador, Mexico and Puerto Rico. There were two women from the USA and a young participant from Quebec.

A substantial group of ten Europeans was composed of women from Holland, Denmark, Switzerland, Portugal, the Basque country and Spain.

The international bloc was completed by South American, Philippine, India and Jordan.

A very important aspect of the group was the presence of young women: nearly half of the participants were under 30. The success of this seminar included debates on a broad range of themes on the social, economic and political situations of women, and current theoretical discussions on the position of feminism from a Marxist point of view.

The discussion on the new trends in the international economy showed the need to develop studies on the role of women’s work today, the effects of neo-liberalism on women in the labour market, and also how cuts in welfare services put a heavy burden on women’s shoulders, particularly restricting their job perspectives.

**Fighting oppression**

A rich aspect of this international seminar was how it brought together women activists from different parts of the world engaged in the feminist movement, trade union work, political parties as well as NGOs, for all of whom the struggle against women’s oppression is just an intellectual commitment but their everyday political engagement.

This atmosphere the session on “Marxism and feminism”, followed by lectures on contemporary polemics about “modernism”, was an important moment of reflection on the new challenges the left has to face today...
Told you so!

So “Blair’s New Labour Government is mounting such a vicious attack on the so-called ‘dependency culture’ it even makes Maggie see a bit of a liberal!” (SO, December 1997). It was perfectly predictable before the election that this would happen. Whatever else Blair did, he did not pretend that he or his government would serve any kind of class struggle, other than the implicit struggle to defend wealth and privilege.

The question now is, why did Socialist Outlook call on people to vote for Blair and Co, if this is the result?

Steve Kaczynski

Chaos in the markets: how far can it go?

In the November 5 article “Chaos in the Markets?” Andy Klimanski states that: “The reason why the 1987 stock market crash and the fall in shares in Japan in the 1990s led to recession was largely the mass of bad debts held by the banking system at the time.” This factor is not nearly so prevalent now, and outside specie countries a collapse in the financial markets is not so likely to lead to a general capitalistic crisis on its own.

In the light of the collapse of Yamaichi securities, which had a secret off-balance sheet debt of £1.2 billion, this is questionable. If a major company like Yamaichi securities (Japan’s fourth largest broker) can hide a massive debt, then the prevalence of international corporate debt is uncertain. This is a potential crisis, the dimensions of which many not have been fully appreciated. Chaotic events such as booms and busts will inevitably occur under capitalism. When huge corporations collapse, the capitalistic class loses confidence in the stock market and this can trigger a domino effect.

Major international crises can quickly develop.

Duncan Cryer, Bristol

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Unite to beat back student fees!

Dave Pardoe
THE NEW Labour government shows no sign of backing down from their plans to scrap the student maintenance grant and introduce tuition fees – despite mounting opposition from students, parents and teaching unions.

These vicious measures were briefly considered by the Tories but rejected because they were considered too radical even for them! They will effectively reverse the gains made by the working class for free education for all regardless of the ability to pay.

David Blunkett himself benefited from free education and went from a Sheffield council estate to university to cabinet minister. Now he and his cronies are pulling up the ladder behind them – closing off this route for future generations of young workers.

In universities, colleges and schools right across the country there has been widespread anger and disgust that a Labour government should seek to reverse the principle of free education.

The national demonstration on November 26 called by the Campaign for Free Education showed the possibility of further action in opposition to Blunkett's plans. Despite the disgraceful failure of the NUS leadership to support it, a sizeable protest took place.

Unfortunately Douglas Tracer and the NUS leadership prefer the timid strategy of writing to MPs, newspapers, and so on, rather than mobilising the membership for effective action.

The so called "Week Of Action" called by NUS earlier last November quickly became a farcical "week of Inaction" as NUS rejected democratic mass actions by students such as demonstrations and occupations.

Action has successfully been organised by the Campaign for Free Education, Stop the Fees Campaign and Save Free Education. Without the support of the NUS leadership however it has not proved possible to organise mass student mobilisations of the kind that are needed to stop Blunkett's plans.

Socialist Outlook believes that only through bringing together all those who have been involved in these various campaigns led by different forces on the far left will it be possible to pose a serious alternative to the rotten leadership of Trainer and his ilk.

Although there are differences between the different groups these are not great enough to justify separate campaigns. There is strength in unity and unity is desperately needed in the struggle to come. Without this we let not only Trainer off the hook but David Blunkett too. This is why we wholeheartedly support the call from the Campaign for Free Education for a unity conference on February 11.

We are also glad that it appears that both the Stop the Fees Campaign and Save Free Education intend to turn up. This should be built on in every single college – including the many where no particular left group is organised – to build the maximum attendance at the event.

What is needed at the Conference is an agreement on a common programme of action that can capitalise on the head of steam that was built up last term and that can link into the increasing unease at Blair's other attacks on the Welfare State. This must include planning the broadest possible lobby of Parliament on February 25.

The proposals come into force next academic year and therefore affect those students now in FE Colleges and school sixth forms.

The campaign must step up activities to organise activity among these youth as well as current University students. Links should also be forged with education workers and with union activists in NATFHE, AUT and NUT as well as with other workers who will be affected by Blunkett's anti-education plans.

We can learn lessons from other student struggles around the world such as in Germany where tens of thousands have taken to the streets in defence of education rights (see p19).

The task now for activists is to build on the anger in the colleges and widen the struggle. The lobby of Parliament and Unity Conference in February provide exiting opportunities to do this.

Trade union and Labour Party activists should get the issue discussed in their branches, and pass resolutions in support of Free Education as a right for all workers and in solidarity with the student struggle.