

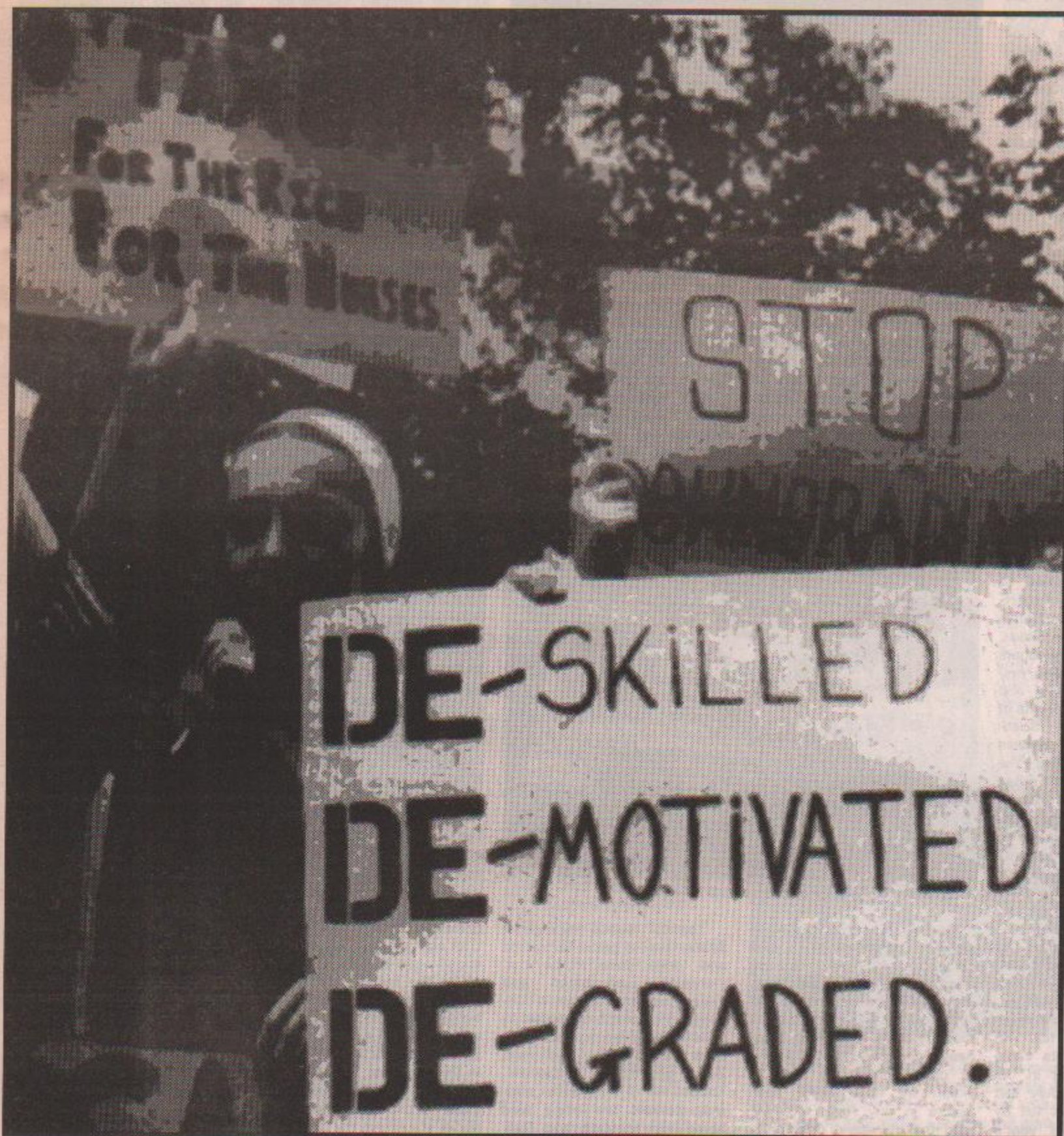
FIGHT RACISM! FIGHT IMPERIALISM!

Revolutionary Communist Group

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FIGHT LOW PAY

Southeast Asian crisis: gnawing away at the foundations

The smugness of international bankers and US government officials that they have contained the southeast Asian economic crisis should deceive no one. While the world's major stockmarkets may, for the time being, have recovered from the dramatic falls of last autumn, the southeast Asian crisis is gnawing away at the foundations of the international capitalist system.

The massive \$100bn IMF-led rescue operation has prevented an immediate collapse of the major southeast Asian economies and delayed the impact of the crisis on the dominant imperialist nations. In the third week of January, IMF managing director Michel Camdessus felt able to reject fears that the Asian crisis would unleash a deflationary wave throughout the world economy. The US economy, he said, was well able to absorb the shocks, the impact on the European Union would be marginal, and the threat to the emerging markets in Latin America and eastern Europe was limited. Confidence is everything when the foundations are rotten and it was, after all, what investors on the stockmarkets needed to hear.

The prospect of immediate gains for the major imperialist banks and multinationals reinforced this confidence, as the IMF-imposed conditions for the rescue package prised open the southeast Asian economies to these international predators. They can barely conceal their glee at their good fortune. Investment bankers are ecstatic. There is 'money to be made' bringing together multinational corporations looking for cheap Asian assets and debt-laden companies anxious to sell parts of their business. 'You'd have to be asleep if you're not looking at the leverage you could have', with many Asian currencies plunging in value, said Ford Chairman, Alex Trotman. And Lawrence Heyworth, market strategist at Flemings, tells us that, for western managers, falling Asian equity prices are a 'once in a lifetime opportunity', with many assets selling below their replacement cost value (*Financial Times* 17, 19 December 1997 and 19 January 1998). Vast profits are there to be made out of the misery imposed by the IMF on the southeast Asian people. Southeast Asia is to be recolonised.*

An economic and social catastrophe

As each week passes the extent of the economic and social crisis engulfing the nations of southeast Asia becomes more evident.

South Korea
The \$55bn IMF-led bailout of South Korea was imposed at a great economic and social cost. With the won devalued by nearly 50%, the stockmarket

having fallen by around 40%, and South Korea's short-term foreign debt far worse than initially reported, with \$100bn due in the coming year, the IMF negotiators held all the cards. They insisted that three commercial and 12 investment banks be closed down and South Korea's capital markets be opened fully to foreign investors. The limit on foreign shareholding was raised from 26% to 50% from 15 December 1997 and to 55% from the end of 1998. South Korea's growth rate in 1998 is to be limited to 3%, compared to 6% in 1997, and interest rates are to be raised to between 18% and 20%, with inflation at 5% or below, as part of a credit squeeze to bring about a radical corporate restructuring, forcing many South Korean companies into bankruptcy. South Korea's 'rigid' labour laws are to be reformed to allow the easier sacking of workers. The rate of unemployment is expected to double.

Eight South Korean conglomerates and 15,000 companies have already filed for bankruptcy. 14 merchant banks were suspended to find new capital or go under. 500 companies went bankrupt in the first week of January alone, and 3,000 bankruptcies are expected for the month. Only 87 out of a total of 653 South Korean listed non-financial companies are considered safe from international predators.

Little wonder that US bankers are pleased with the progress in resolving South Korea's financial problems. International banks, after a great deal of pressure by the US government, have agreed to exchange some \$23bn of short-term debt from Korean banks for loans of longer maturities. International fund managers and investors have been rescued by the IMF bailout and more and more of the profits of companies based in South Korea will flow to imperialist banks and multinationals. The losers will be the South Korean working class as growing unemployment will drive millions of families, unprotected by unemployment insurance, into poverty and destitution. The class struggle will intensify.

Indonesia
Indonesia, the fourth most populated country in the world, came closest to meltdown of all the southeast Asian countries. Its currency and stockmarket went into virtual free fall. The rupiah lost 85% of its value against the US dollar in the seven months from July last year. The stockmarket fell by some 50% from last year's peak. Indonesia's foreign debt has been estimated at anything from \$140bn to \$200bn. Private companies owe \$80bn in foreign currency debt, most of it short-term and unhedged. Only 22 of the 282 companies listed



Indonesia: protesters demand Suharto's resignation

on the Jakarta stock exchange are financially viable. Most of Indonesia's 225 banks are undercapitalised and are heavily dependent on dollar loans. Essential imports cannot be obtained because foreign banks will not even accept letters of credit from Indonesian state banks. Indonesia's GDP measured in US dollars has fallen from \$228bn in 1996 to \$49.6bn in 1997.



South Korea: students demonstrate against IMF demands

Foreign predators are homing in on debt-ridden but undervalued companies. Nutricia International, the Dutch food group, is set to become the first overseas investor to take a majority stake in a listed Indonesian company. 'We're looking at opportunities the likes of which we have never seen before in any Asian country' said the managing director at Peregrine, Hong Kong's largest investment bank (*Financial Times* 17 December 1997). Peregrine itself will not be around to reap these dividends. It went into liquidation on 12 January 1998 with debts of at

least \$600m, swept away in the wash of the Asian crisis as a result of huge losses on dollar loans to Indonesian companies. On 27 January Indonesia called a halt to corporate debt repayment - a *de facto* debt moratorium - as the government set up a debt restructuring agency, saying it would guarantee most deposits and credits and end restrictions on foreign bank ownership.

The IMF rescue package of \$43bn had its price. Subsidies and tariffs have to be cut, monopolies eliminated and many government projects cancelled. 5% growth is needed to absorb the 2.4m workers who enter the job market each year. Zero growth is projected. Thousands of Indonesian migrant workers are being sent home from Malaysia and Thailand, countries in the midst of their own crisis. 10,000 workers have been kicked out of Saudi Arabia. Unemployment is set to rise by at least a million to 2.7m. Stagflation is setting in with prices now rising at an annual

rate of 60%. Electricity prices are set to treble. With higher fuel prices leading to higher transport costs, workers will need pay increases just to be able to get to work. But companies are cutting wages.

Workers are already on strike in a number of Indonesia's large factories. Many more will follow. After the Ramadan holiday ended in the last week of January, many workers had no jobs to come back to. Thousands will not have been paid the traditional '13th month' annual bonus which they rely on and consider part of their annual wage. 500 workers at one ceramics factory are already on strike protesting at receiving part of their bonus in unsold cups and dishes. Adding to this turmoil is a failed harvest and drought in rural Java, making a mass influx of sacked workers to such areas insupportable. Civil unrest, riots and strikes are inevitable.

In Thailand cuts in the traditional year-end bonuses have led to 3,000 car-parts workers battling with riot police in Bangkok. Last year Thai workers burnt down a Sanyo factory complex when their bonuses were cut. 800,000 Thai workers have recently been made unemployed and with the Thai economy rapidly deteriorating the situation could easily explode.

Meanwhile stockmarkets are booming...

Over the last three years the rise in share prices in the USA has created \$3,000bn of new wealth for US investors, at least on paper. The S&P 500 Index rose by 35% in 1995, 23% in 1996 and a further 27% in 1997 - the first time it has risen over 20% for three successive years. The value of US stocks is greater than the country's annual economic output of about \$8,000bn, something that did not happen at the peak of the stockmarket boom before the 1929 crash. Over 50m households, mainly middle class families, own shares either directly or in mutual funds - twice as many as in the 1980s. This new stockmarket wealth underpins the US consumer boom. Many people have borrowed massively to maintain their spending. A crash in the stockmarkets would destroy the foundations of middle class prosperity in the USA and generate catastrophic social consequences. This explains the central role the US government has played in ensuring the Asian financial crisis was contained in its impact. The IMF was simply the USA's agent in this process. The necessary condition for continued middle class prosperity and hence social stability in the USA is the poverty and destitution of the southeast Asian people.

The same is true for Britain. Last year the value of shares rose by nearly 25% from £967bn to £1,200bn, a record increase of £233bn in a single

year - equivalent to £11,500 for each working person. With the privatisation of social welfare, middle class prosperity can only be sustained if this process continues. Just as in the USA, social stability in Britain, as inequality grows, depends on the allegiance of the middle class and highly-paid working class, that is it depends on a rapacious imperialism.

Gnawing away at the foundations

What happens in Japan is crucial to the longer-term impact of the Asian financial crisis. It has become clear that the situation is far worse than initially disclosed. The banking system's bad loans are 77 trillion yen (\$590bn), nearly three times that originally disclosed. The Japanese government has now announced that it will spend up to 30 trillion yen (\$230bn) to rescue the banking system to the great relief of the other imperialist powers. However, with the Japanese economy stagnant, bankruptcies, already at record highs, are increasing. The bad loans problem can only worsen. In addition it is saddled with more than \$276bn loans to companies in southeast Asia, many of which are irrecoverable. Further bankruptcies of Japanese financial institutions are to be expected. Little wonder that the international markets are resistant to lend to Japanese banks even in yen.

The impact of the Asian financial crisis on the European Union cannot be dismissed as marginal. Europe has a higher volume of exports to the southeast Asian region than the United States, and a greater banking exposure - \$360bn - than the US and Japan combined. The German chemical industry expects a one-third reduction of its growth rate and Deutsche Bank a cut in operating profits by one third. Sales in luxury goods, diamonds, the music industry and electronics have all seen dramatic falls. The Asian crisis is slowly gnawing away at the foundations of international capitalism.

With sharp falls in growth in the major imperialist nations forecast for the coming year, any serious eruption of working class struggle in southeast Asia could be the catalyst for a major collapse of the world's stockmarkets. The social consequences will be enormous. Wherever we are, in the heartlands of imperialism or the devastated countries of southeast Asia, it is clear that capitalism has no answers to the problems facing the vast majority of the world's population. It is time to fight for an alternative. It is time to rebuild socialism. ■

* See David Yaffe 'Countdown to capitalism's collapse' in *Fight Racism! Fight Imperialism!* 140 December 1997/January 1998 for discussion of this development and a background to the international financial crisis.

Ireland

Britain's Unionist agenda for peace talks

BOB SHEPHERD

The 'peace talks' which began in September 1997 had achieved nothing of any substance by the end of the year. This was primarily due to the fact that the Ulster Unionist Party has no interest in discussing anything they see as diluting the union with Britain. They have refused to discuss with Sinn Fein and have blocked and stalled any real negotiation at the talks. At the beginning of December a new format for the talks was agreed, with each party being represented by only two members for the main negotiations. Even this streamlining of the negotiation process failed to move the talks on. At the same time as the UUP has been stalling the talks process, the loyalist terror gangs have been escalating their indiscriminate attacks on the Catholic community. In 1997, of 20 people killed in paramilitary attacks, 15 were murdered by loyalists. This combined strategy is designed to defend the privileged position of loyalists within the union with Britain. It is an attempt to intimidate the Catholic population and remind the Labour government that loyalists will not give up their privileged positions in whatever new power structures emerge after the 'peace talks' process.

Sinn Fein's strategy was to get the British and Irish governments to force the pace and drag the Unionists along. As threats



Funeral of Catholic taxi driver Larry Brennan, murdered by Loyalists

UFF had broken the ceasefire. The second response was the presentation by the British and Irish governments of a new framework for the talks entitled 'Propositions on Heads of Agreement'. This is essentially a Unionist agenda which calls for a northern Irish assembly, a new Intergovernmental Council, which includes the British and Irish governments and the assemblies of northern Ireland, Scotland and Wales, and a north-south ministerial council. Tony Blair, the man who Gerry Adams thought had the right sort of instincts on Ireland, had drafted the document on the telephone with Bertie Ahern, while he was on a European junket in Japan.

Sinn Fein has condemned the document as a sop to Union-

dismantled.' By every test the 'peace talks' are not advancing the interests of the nationalist working class, either on the streets or in the talks process itself.

Loyalist terror has increased; the most that can be got out of the talks is a new Stormont Assembly and no prisoners have been released. On 16 December in London three Republicans were gaoled for a total of 62 years for conspiring to cause explosions. Brian McHugh got 25 years, Patrick Kelly 20 years and James Murphy 17 years.

The lack of any substance in the talks process, allied to the continuing repression on the streets, lies behind the increased activity of the INLA and Continuity Council IRA. It was also the reason for the resignations from Sinn Fein and the IRA, reported in the last issue of FRFI, resignations which have led to the formation of the '32 County Sovereignty Movement' with Bernadette Sands as its spokesperson.

The Unionist agenda put forward by the British and Irish governments for the 'peace talks' shows again that Tony Blair and the Labour government are determined to defend the interests of British imperialism in the north of Ireland at the expense of the nationalist working class.

Communists in Britain support the continued resistance to British imperialism in Ireland and call for Troops out now! Prisoners out of gaol!

- UDA Ulster Defence Association. Loyalist terrorist group
- UFF Ulster Freedom Fighters. Name used by the UDA in some circumstances
- UDP Ulster Democratic Party. Political party represented at the 'peace talks', associated with the UDA/UFF
- UVF Ulster Volunteer Force. Loyalist terrorist group
- PUP Progressive Unionist Party. Political party represented at the 'peace talks', associated with the UVF
- LVF Loyalist Volunteer Force. Loyalist terror group, opposed to the 'peace talks'



Derry: RUC keep streets clear for Loyalists

that the loyalist 'ceasefire' would officially end in the new year intensified, Gerry Adams, still, it seems, believing that Tony Blair has a progressive instinct on Ireland - called on the British and Irish governments to 'grab this process by the scruff of the neck and drive it forward with urgency'.

The response of British imperialism was first for Mo Mowlam, the Secretary of State for Northern Ireland, to visit the prisoners of the loyalist terrorist groups UDA/UFF, who are represented in the talks process by the UDP, to ask them to stick to the ceasefire and talks process. This did not stop the escalating sectarian violence and murder directed at Catholics, with the eventual admission that the

ists and called for its withdrawal. The IRA issued a statement saying: 'It is a pro-Unionist document and has created a crisis in the peace process...yet another British Prime Minister has succumbed to the Orange card.'

In the editorial of FRFI 138, after the IRA declared its ceasefire in July 1997, we said: 'Whatever takes place during the talks process, the nationalist working class will judge the process by what is happening on the streets and estates, on the treatment of Republican prisoners, on progress to end deprivation and discrimination, and on the conduct of the forces of occupation - the British army and RUC. In short, on whether the sectarian statelet is being

Loyalists unleash terror

BOB SHEPHERD

As 1998 began, loyalist terrorist groups attempting to strengthen the Unionists' 'no surrender' position at the 'peace talks' escalated their campaign of murder and terror. Using the INLA assassination of LVF leader Billy Wright as an excuse, ordinary Catholics are being indiscriminately murdered by loyalist gangs.

On the night of 27 December two loyalist gunmen attacked a teenage disco at the Glengannon Hotel, murdering Seamus Dillon and injuring four others, including a 14-year-old boy. On New Year's Eve, Eddie Treanor was murdered when loyalist gunmen sprayed bullets into the pub he was drinking in, injuring five others. Between 18 and 24 January six Catholic men were murdered simply for being Catholic. Two of the murdered men, Larry Brennan and John McColgan, were taxi drivers who were shot as they went to pick up bogus passengers. Another taxi driver was shot and wounded in yet another murder attempt.

These crimes have been claimed by the LVF and the UFF. In a statement issued on 23 January, the UFF said it was returning to its ceasefire after a 'measured military response' to 'republican aggression'. This attempt by fascist, loyalist terror gangs to equate their indiscriminate sectarian murder of Catholics with the struggle of Irish republicans for national self-determination against the forces of British imperialism is grotesque and sickening.

Loyalist terror directed against the Catholic community has been on the increase since the talks began. On 5 December Gerry Devlin, an official at a GAA club in north Belfast, was shot dead as he arrived for a meeting. On 13 December the RUC sealed off Derry city centre to allow a march by thousands of Apprentice Boys. People were prevented from getting to their homes and places of work, while sectarian bands, such as

the CCM Third Battalion UVF band from Belfast, were allowed to parade and display their bigotry. As residents of Derry expressed their anger, they were attacked by baton-wielding RUC, backed up by the British army. Over 160 plastic bullets were fired. In the run-up to Christmas two Republican POWs, a Sinn Fein councillor and a member of the IRSP all received Christmas cards containing bullets. The Sinn Fein councillor had been the target of a loyalist bomb attack earlier in 1997.

On 12 and 13 January 1998 loyalists attempted to abduct Catholics on the streets of Belfast in two separate incidents. One man was on his way home from work at Harland and Wolff shipyard; the other was opening up a community centre in West Belfast. Both were lucky to escape with their lives.

In the Whitewell area of north Belfast, loyalists have launched a series of attacks on nationalist residents. On 13 January they blocked a main road into the area and the RUC assisted them for two hours by directing traffic away from the mob. As soon as the nationalist community came out to protest, the RUC sped into the area, attacking the nationalist protest. Even the local SDLP councillor was beaten up by the RUC.

As loyalist terror has increased in Belfast and Derry, in the rural areas close to the border in South Armagh the British army and RUC are stepping up their military activity. There are 19 spy posts in the area, some of which are being extended with new building work. Helicopter flights have increased, as have British army foot-patrols. One of the four RUC/army barracks in the area is the busiest helicopter base in Europe. As one local resident told *An Phoblacht/Republican News*, 'I am terrified coming across the border now. When the IRA were active, I very rarely saw British army patrols. If I did, they didn't have time to harass me; now that's all they seem to have time for.'



BLOODY SUNDAY

Alongside the Labour government's decision to review the events of 30 January 1972 - Bloody Sunday, new evidence has emerged of the Parachute Regiment's murderous activities on that day. 14 unarmed victims were shot down when the 'Paras' were let loose against a peaceful civil rights march in Derry. The 'facts' were later doctored for Lord Widgery's report - Widgery willingly collaborated to ensure that the British army did not take the blame, having been warned by Prime Minister Heath to remember 'that we were in Northern Ireland fighting not only a military war but a propaganda war'. Of the 538 eyewitness reports collected by the Northern Ireland Civil Rights Association, Widgery examined only 15. Lieutenant Colonel Derek Wilford, commander of the paratroopers on Bloody Sunday, responded to news of the latest inquiry: 'There is no worthwhile truth that can come out of this'. We shall see.

What we stand for

The Revolutionary Communist Group fights for a society which produces for people's needs, not profit - that is, a socialist society.

Capitalist society is based on the exploitation of the working class by the ruling capitalist class, for profit. Internationally, imperialism divides the world into oppressed and oppressor nations: the majority lives in poverty, while a tiny minority squanders unprecedented wealth. By restricting production worldwide to the narrow limits of profit-making, the basic needs of the majority of humanity cannot be fulfilled.

► In Britain today more than four million are unemployed with many people - women in particular - trapped in low wage, part-time jobs. 25% of the population - the majority women and children - lives in poverty, with lower wages, lower benefit and fewer social services. Meanwhile, money-grabbers in the newly-privatised industries (like the water authorities) and banks amass more profits and pay their directors inflated salaries. The RCG supports the struggle of the working class to defend and improve its living standards.

► Racist attacks are on the increase. The police do nothing to defend black people against attack, and instead blame black people for crime. At the same time, Britain's racist immigration laws are used to harass, detain and deport black people. The RCG fights against racism and fascism in all its forms. We support the right of black people to organise and defend themselves against racist attack. We oppose all immigration laws.

► While the working class bears the brunt of the crisis, new laws like the Criminal Justice and Public Order Act and anti-trade union legislation have been introduced to criminalise the right to protest. The RCG opposes all anti-working class laws and fights to defend democratic rights - the right to organise and protest.

► Britain is an imperialist country. Ireland is Britain's oldest colony and the nationalist working class of the Six Counties are subject to military occupation and brutal repression. The RCG supports the struggle of the Irish people for self-determination and calls for the immediate withdrawal of British troops.

► Internationally, oppressed nations are driven into poverty and debt by imperialism as multinationals extort superprofits from the labour of the poor. Throughout Asia, Africa and eastern Europe the effects of the free market are obvious - low wages, appalling work conditions, poverty and starvation for the mass of the people; environmental degradation, corruption and repression in government. The RCG supports the struggle of all oppressed people against imperialism.

► The RCG supports socialist Cuba and condemns the illegal US blockade. We fight actively in defence of the Cuban revolution.

► In the drive for profits, the needs of human beings and the environment are secondary to the profits of multinational companies. The RCG supports the struggle to defend the environment.

► The Labour Party is a ruling class party which defends capitalism. In power it has never defended the interests of the working class. The RCG fights for the independent interests of the whole working class. We do not support any of the pro-capitalist parties in elections.

► The RCG fights against prejudice and bigotry, which are used by the ruling class to divide and weaken the working class. We oppose all discrimination against black people, women, lesbians, gay men and people with disabilities.

The defence of the working class and oppressed can only come from the working class organising democratically and independently in its own interests, in Britain and internationally. The Revolutionary Communist Group stands for the rebirth of a socialist movement internationally to destroy capitalism and imperialism and replace them with a socialist society, organised to defend the interests of the working class and oppressed. Join us.

Fight Racism! Fight Imperialism!
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<http://easyweb.easyweb.net.co.uk/rcgrf/rf/rcgrf.html>

A raw deal for the unemployed

DAVID HOWARTH

The New Deal for the unemployed was launched in January amid a barrage of Labour government propaganda, sound bites and stunts. It was announced that an estimated 10% of benefit claims are fraudulent; examples were given of large benefits for the affluent; the Cabinet spoke of dealing with poverty and preventing the unemployed from spending all day in bed, and Blair set off on his 'Welfare roadshow' (for selected New Labour audiences). The Welfare to Work programme begins with a pilot for the under-25s in 12 areas of the country. In April the scheme will be implemented nationwide for that age group. In June it will be extended to the long-term unemployed aged 25+ and in October to lone parents. The programme claims to offer a choice of:

1. A job with a wage for six months, with a subsidy to the employer.
2. Full-time education for one year on benefits.
3. Work with an environmental task-force.
4. Work with a voluntary organisation.

However, if targets for each option are met, only 40% of places overall will be jobs with a wage (25% each for education/training and the environmental task-force, 10% for voluntary organisations) whereas the Employment Service's own survey of claimants reveals that 90% want jobs with a wage. This shatters any illusion that the New Deal provides choice.

The programme doesn't benefit the unemployed: it is compulsory and backed up by 100% benefit sanctions for those who fail to comply. Consequently, the government has been forced to accompany its 'welfare reforms' with an ideological assault.

Firstly, there is New Labour's 'determination' to tackle poverty and the increasing disparity of earnings. The proportion of households with no-one working has doubled since 1979 to one in five, and the poorest 20% get a lower share of Social Security benefits than they did in 1979. This results from the Tories' removal of the link between state pensions and benefits and the level of earnings, a measure which was opposed in words by Labour but which has been retained by them in government. Wage differentials are the greatest since records began, yet instead of imposing a living minimum wage, New Labour has set up a review, which will calculate a rate low enough to be acceptable to business and determine the exemptions. Restoring the link between benefits and earnings and setting a living minimum wage (£6 per hour, according to the EU) would be logical first steps towards tackling poverty. However, this would contradict New Labour's real aim of producing a flexible competitive labour force.

Secondly, the government needs to reduce social security spending, which currently accounts for 30% of the budget.

Hence the constant reminders of benefit fraud, estimated at £4bn a year (Can anyone remember the estimated fraud figures for MoD contracts?). Labour is trying to blame its inability to improve health and education on the cost of social security - one of the key facts they want us to know is that more is spent on social security than on health, education and law and order combined. Their message is clear: if you can't get a hospital bed, if you have to pay high prescription charges (or in the future have to pay to see a doctor), if your child's school has poor facilities, or if crime is high in your area - blame those on benefits. What they don't want you to know is that Britain is in the bottom quarter of the 21 OECD member state league table for the proportion of GDP spent on social protection (social security, health and education) - that's one league table New Labour doesn't promote.

The New Deal will not save money from the £96bn social security bill - in fact it costs an extra £3.5bn to set up. The only savings will come from cuts in benefit - the biggest savings from cuts for lone parents and the disabled. Benefit cuts cause greater poverty which in turn increases problems in health, education and crime.

Behind this ideological bom-



Burning paper in the French Stock Exchange

bardment, the real reason for the New Deal is to push those who are outside the labour market (the long-term unemployed, lone parents, the disabled) back into it. This has two main purposes: to tackle 'social exclusion' by controlling those deemed 'out of control' with the discipline of work (or training), and to produce a mass 'revolving door' labour market, shuffling workers between temporary jobs and spells on the dole. This is the key to producing a flexible competitive labour force - lowering wages to the minimum, removing rights to holiday, sick, maternity and redundancy pay and weakening trade unions.

In France, in December and January, the unemployed showed that they are not willing to accept such treatment. Led by four unemployed action groups and supported by the communist-led CGT trade union federation, the unemployed and their allies organised nationwide protests to demand better treatment. They occupied 30 Asse-dic (Unemployment Fund) centres and held a series of national days of action, building up to demonstrations in 50 cities, in which tens of thousands took to

the streets to demand an end of year payment equivalent to £300, to cover bills. Many unemployed people say that they have gained self-respect from being involved in the protests and polls show that a majority of the population (up to 70%) is concerned about employment prospects and supports the jobless movement.

The Socialist Party-led government sent the riot police into several of the occupied welfare centres. It then promised £100m in emergency assistance, a review of all benefit payments and a plan to reduce the working week from 39 to 35 hours, without loss of pay. However this wasn't enough to satisfy the *sans-emploi* movement: the emergency assistance was insufficient and they weren't fooled by reviews and promises of more jobs in the future. One of the movement's leaders, Claire Villiers, said the unemployed have 'nothing more to lose, they will keep marching, keep occupying government buildings... They won't give up'.

Back in Britain, if you think the TUC is going to be supporting an unemployed movement, think again! Will an organisation that pays its leaders four or five times the national average, has a partnership with a bank to produce a credit card, invests in shares and property, and is tied to the capitalist system which causes unemployment and poverty, fight for the unemployed and low-paid?

Despite formal opposition to the JSA, voiced in the slogan 'No compulsion! No workfare', the last TUC congress could only report that their briefing 'Jobs not JSA!' had reached its 68th edition and that the underfunded TUC Centres for the Unemployed had organised demonstrations in four cities (there are 105 such centres). The TUC doesn't even formally oppose the New Deal. On the contrary, General Secretary John Monks has said 'The government deserves every congratulations for the energy it is putting into the New Deal which offers real hope to some of the most disadvantaged and alienated members of society' and has ordered their Unemployed Centres not to oppose the New Deal.

An opposition movement must be built! It is not enough simply to inform claimants on how to dodge the rules. Nor can a strategy be constructed around attempting to persuade those who are paid to police the unemployed to be our allies, and limiting the movement to their interests. The new movement must organise both the unemployed and those forced to work on the New Deal schemes, including the organisation of unions at their worksites. It must ally itself with those already in low-paid jobs, and fight for employment rights from day one. It must unite with pensioners, lone parents and the disabled in their fight for decent benefits. There is no ready-made movement, we have to get out and organise it!

There is a meeting to oppose the New Deal on 18 February at the Old Fire Station, Leswin Road in Stoke Newington N16 at 7.30 pm



French workers march for jobs

Squeezing the poor

ROBERT CLOUGH

Blair's millionaire government is going for broke in attacking the welfare state. The privileged and wealthy whom Labour represents don't want to spend any of their money on the working class - they want to keep it for themselves. The refusal to raise income tax was the price the rich and middle class put on their votes last May. Now the working class is paying the price: cuts in all forms of welfare benefits. Of course the government argues that it can no longer afford the annual welfare bill of £100 billion. But in reality it is imposing the cuts in order to force more and more people into poverty pay jobs whilst preserving the tax perks for the rich.

The fact is that Britain spends less per head on social protection benefits than most other European Union countries, currently ranking 9th in a league of 11. Only a small proportion of this spending goes on family and child-related benefits, the first target of attack. Even the government actuary has had to admit that there are no real problems with paying for welfare costs. For instance, Britain needs spend only an extra 0.1 per cent of Gross Domestic Product to sustain the current level of state pensions to the year 2005, compared with three per cent in Germany and France. Spending, both state and private, on old age pensions, sickness, unemployment and disability benefits stands at less than £3,000 per head of population, compared to £5,000 in France, £5,500 in Germany and nearly £7,000 in Denmark.

If we did not live in a class-divided society, there would be ample room to increase spending on state welfare. But we do, and that is why Blair is leading a government crusade which is blaming the poor for their condition. December saw the first instalment of what is to come, as Parliament approved the Tory-initiated cuts in lone parent benefits, cuts which would save a meagre £50 million in the first year. Only 47 MPs voted against, the remainder, including the overwhelming majority of Labour MPs, showing where their class interests lie.

Hard choices again...

'Hard choices' - the mantra invoked whenever a new attack on the working class is announced - did not extend to Geoffrey Robinson when the

existence of his £12.5m offshore slush fund was revealed. Ministers leaped to his defence, brushing aside calls for his resignation. Tax avoidance is fine for members of Blair's government - there is not a peep about income tax fraud, but lots about benefit fraud. Even here figures are being inflated: the National Audit Office estimates that it £3bn per annum; Blair has put it up to £4bn or £5bn. Why tell the truth when a lie is more convenient? And, as many have pointed out, unclaimed benefit has always been higher than any supposed level of fraud. But there is an answer to that: the government has decided to cut the period for which backpayment of unpaid benefit can be claimed, from 12 months to 4 weeks.

Now we have a government campaign of misinformation. Disability payments are soaring through the roof. Never mind that the increase in annual spending from £8 billion to £24 billion from 1980 to 1996 was in part a consequence of getting people off the unemployment register. Too many people are getting them, and they are too wealthy. Of course they are - if you ignore all the extra costs of living with a disability. But the benefits are pitiful: a maximum of £34.60 per week if you receive Disability Living Allowance, or £55.70 per week Incapacity Benefit. Since Harriet Harman came in, the DSS has led an intensive campaign of 'reassessing' disability benefit claimants. 10% of those interviewed have had their benefit cut. A memo from a senior official in the DSS to other government departments has asked for help to ensure Harman has 'a convincing story to tell' when 'substantial savings' in sickness and dis-

ability benefits are unveiled, probably in the March budget.

Yet perhaps the most vicious ruling, and the one that most exposes the class character of this Labour government, is one that extends the waiting time for Jobseeker's Allowance from three days to seven. The only people this could possibly affect are the poorest or the most vulnerable. The three-day wait for benefit has been in existence for 60 years. The annual saving for the government is a mere £65 million. But it will hit 1.9 million claimants, half of whom will have just left a poverty pay job and will have to survive on their last pay packet for a further four days. As the Social Security Advisory Committee reported to Harman, 'it is common for those in low-paid employment to borrow against their first wages. Thus their final pay is needed to pay off debts and provides no cushion for the coming week'. For those who have not been in work, the effect of the ruling may be even more serious. They will include discharged prisoners, those who have suffered a breakdown in relationships, the young homeless and those unsettled by mental disorder or drug abuse. Harman's response has been to imply that people don't need the money: 'The fundamental principle behind waiting days is that social security is not designed to provide cover for moving between jobs or brief spells of unemployment.'

As each new ruling from the DSS is published, let everyone remember that Harman's first claim to notoriety was her decision to send her children to a private school. And then remember those who urged us to vote Labour because they couldn't be as bad as the Tories. The fact is that Labour government is government by the rich for the rich - it is our class enemy.

Pensioners notes

The worst of winter now seems over and I have the energy to want to find out what is happening in the world.

I know that the travel permits have been re-issued or arrangements have been made to do so. The chief problem is the general reduction of services making long waits inevitable and waiting around in cold weather is a major cause of illness among pensioners. Let's hope that the worst is over for this year and let's continue to fight for services which are the only real answer to our problem.

More cars can only mean more congestion and delays for all of us, so I feel we are really

fighting for everyone. There just isn't room for cars, often with only one occupant, to drive into the centre of our towns. Sooner or later restrictions will have to be made.

Meanwhile, I am sure the better weather will see more public pensioners' activities. We want a fair deal, with a pension that it is possible to live on and without means testing. As far as we are concerned, we have just got rid of the Tories but not Tory policies. We are still a rich nation on a world scale, we can afford to pay an adequate pension to everyone. Let's demand that we get it now. Time is not on our side. *Rene Waller*

New Labour and 50 years of the NHS

HANNAH CALLER

Rejuvenation of the National Health Service (NHS) was given priority in Tony Blair's new year's message, at the start of the 50th anniversary year of the NHS: 'It is Labour's finest past achievement. Let us make 1998 the year when its future was secured for the next 50 years.' But how and for whom will its future be secured?

Certainly not for wealthy parasites like the Queen Mother, who will always get a bed immediately in the private sector in an emergency, while working class people will continue to wait up to 37 hours on hard trolleys in Accident and Emergency departments. Nor will it be secured for the staff who work in it. As we go to press, the government has announced that although it will implement a 3.9 per cent wage increase this year, it will be staged so that only 2 per cent is paid in April, with the remainder due in December. And those who are better off will get more: doctors will get increases ranging from 4.5 per cent to 5.6 per cent, whilst top grade nurses will benefit from a further three increments at the top of their scale.

Late in December 1997, the government published its White Paper on the NHS. In the foreword, Tony Blair writes: 'I am confident that with the support of the public, the dedication of the NHS staff and the backing of the government, we can create an NHS that is truly a beacon to the world.' Its main proposals are that:

- From April 1999, GP fund-holding will be replaced by primary care groups, who will be responsible for commissioning hospital and community health services for localities with a population of around 100,000;
- 3-to-5-year service agreements will replace annual contracts;
- There will be a variety of national organisations with fancy names such as a National Institute for Clinical Excellence, a Commission for Health Improvement and a Clinical Governance Subcommittee;
- health professionals, social



services and local authorities will have to work together to draw up Health Improvement Programmes for each health authority area.

This is to be financed by savings the changes bring about, claimed to be up to £1 billion over the next five years from cutting bureaucracy involved in contracting and fundholding.

The document is full of New Labour-speak. You would look in vain for reference to the people who staff the NHS and the patients who use it. They do get mentioned in the plan to pilot a 24-hour patient helpline, 'NHS direct'. Supporters of the scheme are encouraged by the fact that it will reduce unnecessary attendance at Accident and Emergency departments, but critics say that a much wider trial scheme and more detailed research is needed to ensure that it is of benefit to people and not just a veiled attempt at more savings.

While the White Paper suggests the total savings will be £2 billion over five years, this is the same figure that will be spent over the next five years on merit awards for consultants. These awards can double these doctors' NHS salaries to £110,000. The total cost to the NHS of the top awards, held by only 213 consultants, is approximately £185 million per year. Already known to be sexist, the system of allocating awards has been shown also to be racist. A recent study shows that white consultants are three times more likely to get a merit award.

A conference to mark the 50th anniversary of the NHS

will be held in July and a review has been commissioned to look at what the NHS will be like in 2020. The NHS Executive has approached BUPA, the private health insurers, along with certain drug companies to sponsor the review, while other companies will sponsor the conference. There will be about 15 in number, each paying £65,000; they include Norwich Union, also private health insurers. The chair of the task force leading the review is secretary of the Nuffield Trust, a healthcare charity, and a health academic from the USA will be project leader, doubtless to extol the benefits of the US model of privatised healthcare which leaves the poor without any cover at all. With sponsors like those, issues such as low pay, competitive tendering, understaffing, early discharge, reduced number of hospital beds, closure of hospitals and lengthening waiting lists are hardly likely to be prominent on the agenda.

5 July 1998 is NHS Day and the 50th anniversary will be marked with special events all round the country. Let's not forget, however, that the Labour government's overriding aim is to cheapen healthcare. This means more cuts in services, an increasingly two-tiered system, more low-paid and insecure jobs. To ensure that healthcare remains available to us all, we must begin to organise both amongst those who work in the NHS and those who use it, and ensure that if we are celebrating anything in July, it is the beginning of a collective working class fightback. ■

Dockers end strike

OWEN JAMES

On 26 January at a mass meeting, the 500 sacked Liverpool dockers voted on the recommendations of the shop stewards committee to end their 28-month-old dispute and accept terms newly retabulated by the Mersey Docks and Harbour Company. These terms - £28,000 a man for the registered dock workers - had been rejected in an official T&G ballot in October. Though the offer of 80 jobs for the sacked workers had been withdrawn, it was replaced by a lesser promise to consider the ex-employees of MDHC for any future work at the port.

The decision to recommend ending this historic action was reached after the shop stewards concluded that a successful outcome, involving reinstatement of the dockers, was no longer a realistic possibility. International support, the lifeblood of what had

become the longest industrial dispute in British labour history, had begun to falter. The momentum which should have been regenerated by the overwhelming and in some quarters unexpected ballot victory in October did not fully materialise. The mood in Merseyside was further darkened by the deaths of two stalwarts of the picket line. It was therefore reluctantly decided to avoid further suffering by the dockers and their families and accept MDHC's offer.

The vote was carried by approximately 4:1. In the emotionally charged aftermath, all were keen to stress the exemplary and democratic way the dispute had been conducted, under a leadership unparalleled in modern industrial relations.

This dispute was not lost by the 500 men on the picket line. It was not lost by the Women of the Waterfront or by their supporters in Britain and internationally. It

was lost by the treachery and duplicity of the TGWU, whose behaviour merits a chapter to itself in the book of infamy; it was lost by the Labour Party which in power refused to use its leverage as major shareholder in the MDHC and press for a settlement; and it was lost by the TUC.

As a result, there are no longer any genuine dock workers in Mersey ports, only scabs. Liverpool has joined the other ports in Britain in being manned entirely by casual labour.

The dockers' struggle and their unflagging leadership in hard times nevertheless remain an inspiration to us all.

It was decided, in view of the almost total news blackout during the dispute, that no press release would be issued but a message would be sent to all support groups and the many trade unionists and others thanking them and urging them to continue to support other workers' struggles such as at Magnet Kitchens, Hillingdon Hospital and elsewhere. ■

Imperialist forces out of the Gulf!

EDDIE ABRAHAMS

Media concentration on the details of the latest clash between Iraq and the USA serves only to conceal the devastating damage being done to the Iraqi people by continued UN sanctions. And their 'discussion' of the possibility of renewed US and British military attacks on Iraq conveniently fails to indicate the part they play in the US's long term strategy to retain control of a significant portion of the world's oil supplies.

Today Saddam Hussein's Iraq presents a threat neither to its neighbours nor to the US or European powers. Since the 1990 Gulf War and the UN sanctions imposed in its aftermath, the Iraqi economy is devastated and its military capacity depleted. UN sanctions have cost the country over £61bn in lost oil revenues. Before the Gulf War it was one of the most developed nations in the Middle East. UN sanctions have not allowed it to emerge from the 'stone age' into which it was bombed by the US and European military machines. Their human cost is incalculable. The *Financial Times* noted that sanctions have 'inflicted misery on the Iraqi people so appalling as to cause outrage throughout the Arab world and disquiet at the UN itself.'

The Iraqi government's recent measures against the US-dominated UN Unscorm team allegedly 'hunting out' stockpiles of 'weapons of mass destruction' are steps in its long

standing campaign to get UN sanctions lifted. It has had a degree of support from France and Russia, both of which have opposed military strikes against Iraq. France and Russia, both with an eye to profitable opportunities in the event that Iraq can resume trading its vast oil resources on the world market, are seeking to ease and end UN sanctions. The US, backed by Britain, is determined to prevent this. Thus its persistent search for pretexts to retain sanctions. The US position has no connection with any potential Iraqi military threat, but a great deal to do with its efforts to fend off European competition for influence in the region. Hitherto the US has secured its predominance through its alliance with Israel, Saudi Arabia, Kuwait and latterly Turkey. The role of suppressing the Kurds in Turkey and Iraq has been passed to Turkey



Children, the sick and the poor have taken the brunt of sanctions

which has established a permanent military presence in northern Iraq/south Kurdistan - with US complicity. An independent Iraq trading its vast oil reserves in alliance with France, Russia or any other European power would undermine US dominance of the region. Additionally of course, with Iraqi oil off the world market, prices remain high for the US and British oil companies which dominate the world oil industry.

In preparation for military action, the British government has followed the US, in sending warships to the Gulf. Disguising the real purpose of these operations, Blair sanctimoniously declared:

'We must not underestimate the danger Saddam continues to pose to the region if he possesses the capability to produce weapons of mass destruction... We cannot and will not rule out the use of military force if Saddam refuses to change his position.'

What hypocrisy. The British and US governments possess deadlier weapons of mass destruction and in quantities a thousand times greater than Saddam Hussein can ever dream of. The imperialists claim a moral right to possess the deadliest of weapons, claiming to be defending the 'world order' against terrorist nations, while in reality seeking to terrorise the world's poor into passively accepting the plunder of their wealth and resources by the rich nations. Such is the morality of imperialism. Such is the morality behind the latest attacks on Iraq. ■

'Ethical' Labour supports Turkish regime

TREVOR RAYNE

The British Labour government staunchly supports the Turkish state as it contorts itself to fend off political crisis. Underlying the political problems of Turkey are 99% inflation, a currency in free fall dropping to a tenth of its former exchange rate in just three years, unremitting increases in government budget deficits and the war against the Kurds. It is the war on the Kurds that seeps through the pores of Turkish society, poisoning it and rendering it incapable of solving its problems.

Rather than try and resolve the war peacefully, the British government sides with the USA in attempting to remove the problems with crude imperialist methods. For the economic problems the International Monetary Fund and World Bank dispense prescriptions for a speed-up in privatisations. The British multinational BAT Industries helped itself to the newly-privatised state tobacco corporation at the end of 1997. Regardless of Labour's phoney 'ethical foreign policy' considerations and the moves by the Italian government to find a

peaceful solution to the Kurdish question in response to the arrival of Kurdish refugees, the Labour government allows a subsidiary of British Aerospace to supply the Turkish Army with 200,000 Heckler and Koch rifles.

At a European summit on European Union enlargement, held in December, all but one of the other EU governments echoed the Luxembourg prime minister who put Turkey at the back of the queue for membership because, 'There is no comparison possible between Turkey and the other 11 applicants. Nobody is tortured in these countries.' The exception is the British government, 'We believe Turkey has the right to partnership, the right to a European vocation and the right to be considered as an EU applicant.' The Labour government championed Turkey at this summit in response to US wishes and to get further deals for British multinationals. That is the sum of its ethics.

In Turkey, political manoeuvres are a twisted mask barely concealing the power of the generals. At the end of 1997 the largest political party, the Welfare Party, was banned at the behest of the generals. This Islamic party ran 327 municipi-

palities and, with 21.4% of the vote, was the biggest party in parliament, having 158 seats. It was considered unreliable by the military and a liability to closer ties to Israel and will be replaced by a more restrained theocratic outfit. On 22 January prime minister Mesut Yilmaz went on television to provide snippets from the report into the 1996 Susurluk car crash, when a police chief, gangster, his girlfriend and politician were together in a car crash. While the report states what was known - that death squads were set up within the state apparatuses, that police co-operated with drug smugglers, that Turkish agents worked with the Israeli Mossad to try and assassinate Kurdistan Workers' Party leader Abdullah Ocalan, that gangsters operated as government agents and tried to engineer a coup in Baku, Azerbaijan - it brazenly leaves the military high command free of any responsibility for all of this. Rather, Yilmaz's rival, Tansu Ciller, and the Welfare Party are to be put in the frame.

These are the kind of friends that the Labour government keeps. Turkey is a pariah state and Labour complicity with it must be exposed and fought. ■

The Labour government continues to attack the working class and its children. With the language of barely disguised contempt New Labour sweeps away 150 years of socialist thought with the words 'poverty is not an excuse' as it attacks the poor for low academic achievements, crime and single parenthood. Government pronouncements sound daily more like the Victorian writer Samuel Smiles whose guide to the respectable poor was published in 1859. *Self-Help - With Illustrations of Conduct and Perseverance* was the inspiration to three generations of small tradesmen and an emerging professional middle class. Its principles of discipline, sobriety, hard work, early to bed and respect for authority are now being invoked as the government sets about dismantling the state education system. The one big difference is that big business has a big role in Labour's attack on the poorest sections of the working class.

SCHOOLS FOR SALE

Action Zone: schools for sale

New Education Action Zones were announced in the first week of this year. These will consist of units within local education authorities (LEAs) of two or three secondary schools together with their feeder primary schools. These units will be handed over to businesses to manage at the cost of £15 million a year with every £250,000 from the Department for Education being matched by the same from business, although this need not be cash and could be in goods and services from the firm concerned. Bids to buy into Action Zones have already been launched and five are expected to be ready by September 1998, followed by a further 20 in the next year. Initially the bids are for five years, during which time the zones will be outside of the control of the LEA.

The supposed aim of the Action Zones is to 'raise standards'. The 'national targets' set by the Tories are still the measure of school success and there is far to go. The proportion of children aged 11 years reaching the required standard in English tests, for example, must rise from 57% in 1996 to 80% by the year 2002. As a concession to common sense the government is not expecting 'deprived' areas to perform as well as others. The London boroughs of Tower Hamlets, Hackney and Newham, which at present average 34%, must achieve at least 70% by 2002 and high achieving authorities such as Solihull and Surrey have been set a target of 90%. There will be no hiding place for 'lazy primary schools' and 'under-performance' warns Stephen Byers, the (7 x 8 = 54 oops!) schools standards minister.

The new Action Zones will be created only in 'deprived' areas with the remit of making standards rise. What can business do that LEAs cannot? Well, anything goes according to Michael Barber, head of the government's 'standards and effectiveness unit'. In playful, post-modernist mood he talks about chaos theory and tearing up the old rule books. 'We must reinvent to survive', he says. The curriculum in the Action Zones can be 'radically altered' and teachers' pay and conditions can be changed (this could mean some payment 'in kind' such as supermarket vouchers. A deal like this was proposed to teachers by Oxfordshire County Council in January. The council said that if 25% of its 15,500 staff received 10% of their pay in vouchers there would be an annual saving of £500,000).

Profits = good education

The government's offer to hand over the running of schools to businesses reinforces the myth of the dynamism of private enterprise and the market as agents of change. 'The shackles of

antiquated dogma and restrictive practices have to be removed' says a former director of education for Kensington and Chelsea. Praising Labour for having 'more bottle' than the Tories, he adds 'if something doesn't work it has to be fixed'.

Dr. James Tooley, research fellow of the School of Education, University of Manchester, where future generations of teachers are being trained, speaks in praise of 'for-profit education'. He describes the huge private education businesses in India, Brazil and 'all over the developing world, where the profit motive provides the incentive for entrepreneurs to take risks and move into untapped markets - to the benefit of those whose

million contract to run nine schools in a move hailed by politicians, business hacks and Hillary Clinton as a 'mould-breaking success story'. It certainly was for the education business. Despite promises to cut back on administration expenses the firm spent \$750,000 on lawyers, travel and consultants and \$2 million on 'overheads' at its head office hundreds of miles away. The profits from the contract helped the firm's owner John Golle to maintain two luxurious homes and a fleet of nine cars. Executive salaries were high, but undeclared because in the words of one manager, 'This is the nice thing about working for a private company...you don't have to disclose anything'. Vast profits were raised by the usual process. The firm cut 25% of teaching posts and the remaining teachers faced classes of 39 children. Regulations which guaranteed public money would be spent on poor and handicapped children were broken. The rate of truancy increased and the exam pass rate decreased and the *Baltimore Sun* newspaper had to expose false claims before this was known other than to the children and their parents. By 1995 Baltimore had had enough of Education Inc and threw them out, having greatly enriched one private business and impoverished the city education budget further.

However, fierce lobbying of politicians by private contractors anxious to get their hands on public funds continues in the USA. And if they cannot directly run schools, then they seek market penetration within them and at the fringes of purchasing goods and selling administration services. Chris Whittle of 'Edison', an 'innovative' education management organisation, set up Channel One television station which was reaching 9,000 schools by 1991. Each school received expensive televi-

Education advising on the setting up of Private Finance Initiatives for schools and gaining potentially rewarding inside knowledge for his company.

Who will buy education?

One major problem upsets the plans of the Labour government to sell off its responsibilities to educate a deprived working class with its perceived unrewarding characteristics of crime, single parenthood, illiteracy and innumeracy. Capitalism requires a mass workforce educated to a basic level. The cheapest way of providing this is through state education. Such schools cannot be run to make a profit. Of the multinational firms who have been hinted at through government leaks none can see any advantage in actually administering schools in run-down areas. The few British firms that have flourished in the last 20 years from Thatcher's introduction of the market place into education provision and support services will be the ones to gain. Nord Anglia, the only education business listed on the Stock Exchange, immediately benefited from the announcement of the Action Zones by a £3.6 million rise in shares. Although the chairman and founder, former teacher Kevin McNeany (£300,000 a year) is busy establishing a chain of independent schools in the former Soviet Union, he is dubious about running schools in Britain's inner cities. Capita, the firm that ran nursery vouchers and administers council pay-rolls, and CBT (the Centre for British Teachers) which runs Careers Services and OFSTED, the inspection business, are also interested, but only if they can see where the profits will come from.

As burger-chain McDonald's said, 'It's very hard to see how we could do it or what exactly we would get out of it. It's just not our area of expertise. Similarly, Tate and Lyle in East London said, 'We do have a very active community education support programme, but it doesn't extend to actually running schools and it's not likely to'.

Bargain basement education

The message then, is clear. The Action Zones will be set up and run for the enrichment of those education firms already in business whose profits will continue to be a transfer from the state to the private sector. The visionary talk of 'tearing up the rule book' will actually mean putting in place a narrow, authoritarian education regime preparing school children to accept the welfare-to-work future that awaits them. Already these are features of the current education system for the working class. More is spent on tests (private business) than on textbooks (also private business). Last year's tests for seven-year-olds cost £36 per pupil. Only £12.81 per child was spent on books. OFSTED school inspections (private business) have cost £1 billion over the last four years and have failed to improve standards overall as measured by GCSE results. The Labour government is intent on transferring as much income to its friends in the business world as it can get away with. While it preaches hard work, respect for authority and discipline to the working class on the one hand, it offers the prospect of ripe pickings to big business on the other.

The hypocrisy and downright lies of this nine-month-old Labour government come as no surprise to those of us who warned that they were friends of big business and enemies of the working class. They are carrying out a systematic attack on the poor on behalf of their masters. The middle class had better beware, however. The whirlwind that will be reaped will disturb more than the inner cities and there will be no escape from the anger of those who are unbearably oppressed.

Susan Davidson



needs have been neglected by governments'. Tooley at least exposes the real agenda behind the government's privatisation proposals. In other countries the buying and selling of education facilities is a profitable investment because it is common for the middle class and aspiring working class with disposable income to buy private schooling. In Britain, as Tooley sees it, there is an annual education budget of millions ripe to be transformed into income for big business. Barber and the *Financial Times* both look to the USA for inspiration. 'Business does have a proven record of raising academic standards in the United States and should be given a chance here', they say. How wrong could they be!

In 1992, the authorities of the impoverished city of Baltimore gave Education Alternatives Inc a \$135

sions free of charge and packages of 10-minute current events programmes followed by two minutes of commercials. The adverts are targeted at the youth junk food and fizzy drink market (Pepsi 'cares more than other soft drinks companies' and 'gives teens a voice'). Whittle, who has been described as the man who has done more to commercialise childhood than any other American, continues to lobby relentlessly to extend his empire and has just spent \$1 million trying, and failing, to persuade the state of California to accept his channel in their schools.

Management consultants Arthur Andersen (world-wide revenue £11 billion), who run a school in California, are very close to New Labour. Staff worked for 'free' for the party before the election. Now an Andersen man is in the Department for



EURO - a single cu

The creation of the euro - the European single currency - indicates a major realignment in the balance of global power. Finance and industry, military and government are in the throes of great changes. Capitalism proceeds not politely in the drawing rooms and glass towers of merchants and bankers, but in ruthless takeovers and bankruptcies, by hurling millions of workers into unemployment and poverty and ultimately by the cataclysm of war. TREVOR RAYNE continues to explore the planned single currency.

in 1992. A single currency, we are told, will reduce uncertainty and risk associated with currency movements, interest rates should then fall. With lower interest rates, profits do not need to be so high for investment to take place. Hence, investment increases, more people are employed and governments receive more taxes and pay out less benefits. A virtuous circle.

Of course, a single currency will mean companies do not have to pay commissions for changing currencies when they trade with member countries. This could save companies and consumers upwards of 0.4% of the EU's Gross Domestic Product. For the City, the single currency will offer more broadly-based equity markets as investors spread shareholdings through diversified pan-European portfolios: the City wants to do the dealing. Banks and insurance companies will expand their business without the restraints on capital movements associated with national currencies. The loans market will be open across the euro zone.

Hidden away in all this celebration of markets is the undeniable logic of capital that the big will get bigger and the power of the powerful will multiply.

By the late 1980s much of the Labour Party was looking to the European Community and its European Court of Justice as the last defence of employment and trade union rights. Giving up on its own will and ability to resist the Thatcher government, social democracy sought to profit vicariously from the gains of the European labour movement. Labour Party opposition to the single currency is largely confined to 'old Labour', elected before 1983. Most Labour MPs favour the single currency and Europe as the likeliest way to preserve the privileges of the middle classes and the better-off workers of the labour aristocracy.

British trade union leaders welcomed the Social Chapter of the 1991 Maastricht Treaty: this was the treaty that confirmed the route to monetary union and the criteria for entrance to it. In particular, the union leaders welcomed the proposal to facilitate the integration of trade unions into the EU's legislative process - for health and safety measures, for example - and the setting up of new institutions such as works councils and 'social partner' agreements. These were seen as reinforcing trade union leaders' right to a share of state responsibility, which Thatcher undermined.

The 1996 TUC annual conference passed a motion in support of European Monetary Union. It was proposed by the AEEU and supported by the GMB, TGWU and MSF. The TUC envisages monetary union as a prerequisite for rebuilding Britain's manufacturing industry.

Articulated by Ken Coates MEP, former Labour MP Stuart Holland and *Guardian* correspondent John Palmer,

left social democracy argues for a pan-European Keynesianism in which national demand management policies are replaced by European and regional regulation. A single currency between member countries should permit long-term investment planning with stable interest rates. This removes the scourge of what is called 'short termism', associated with speculation, asset stripping and volatile interest and exchange rates. Speculation and short termism are blamed for the fate of the plans of the French Socialist Party government in the early 1980s, when Mitterrand dropped state interventionist policies in the face of a run on the French franc. This is viewed as a seminal lesson for the European left in government. For Ken Coates, the harsh Maastricht convergence criteria for monetary union (see FRFI 140) and stated objectives for increased employment are compatible, not contradictory, because the former establishes the stability necessary for the latter to be implemented. Never mind that unemployment has grown across much of Europe as governments attempt to reach the convergence criteria on public sector borrowing, inflation and interest rates.

The case against

Those ranged against the single currency project are also varied. They cover a spectrum of right and left chauvinists who seek to defend the sovereignty of Britain and Parliament against the encroachments of assorted unaccountable bureaucrats, bankers, Germans, French or whoever from beyond these shores. The class origins and functions of British institutions, that ensures the sovereignty of capitalists over the majority of the people and limits democracy to what is acceptable to the rule of capital, is overlooked or denied.

Also pitted against the single currency are those with something to lose. A faction of the City is less attached to regional concentrations of capital and, taking its profit from the global money markets, views the abolition of competing European currencies as a threat to speculative gains. Thus this heart-rending complaint from Union Bank of Switzerland Phillips and Drew: 'It [the euro] would take away our work and our chances of making a profit, so naturally we are against it.'

The particular function of the City as one of the three main financial centres of international capitalism strengthens the Eurosceptic tendency. A representative from a Japanese banking subsidiary in London puts forward a common warning: a single currency means a single monetary policy for member countries and a single interest rate; what the governor of the Bank of England, Eddie George, called a 'one size fits all' policy. Given that different European countries have different industrial and economic cycles of

growth and slow-down, a single interest rate threatens to conflict with what is needed in each particular country at its own stage of the cycle. At a time of growth low interest rates will spur inflation and at a time of slow-down high interest rates trigger depression.

The *Guardian* economics editor Larry Elliott describes as ominous the events surrounding 16 September 1992 when sterling was driven out of the Exchange Rate Mechanism by speculation. To maintain the pound's membership of the fixed exchange rate system

Hidden away in all this celebration of markets is the undeniable logic of capital that the big will get bigger and the power of the powerful will multiply

required high interest rates that contributed to record home repossessions, bankruptcies and pushed unemployment over three million. In other words, the British economy could not withstand the requirements for financial integration with Europe. In support of this it is argued that smaller British companies are more exposed and therefore more vulnerable to variable interest rate loans than their German counterparts, for example, or larger British firms. Further, UK mortgage debt accounts for two-thirds of household income, while that of Germany is less than a quarter and the EU average is a third. Consequently, Britain is far more sensitive to interest rate changes than Germany and the rest of the EU.

Frequently added to doubts that different European economies could manage with a uniform monetary policy is the claim that their labour markets are too inflexible. By this is meant that wages are too high and conditions of labour too protected to encourage employment when companies are dissatisfied with profits. The argument goes on, that Britain has a more flexible and thus attractive workforce; two-fifths of Japanese investment into Europe comes to Britain and membership of the euro will not improve the attractions of Britain to overseas investors.

More typically from the left is the position taken by UNISON, that the Maastricht criteria, far from being a precursor to pan-European Keynesianism, are a triumph for monetarism against the public sector, taken from Thatcher's Britain to the rest of Europe. European Monetary Union threatens parliamentary sovereignty and removes the possibility of a radical Labour government being elected to implement a pro-public sector economic policy for growth.

The cases made above for and against the single currency are prescriptions for the management of capitalism. When Britain is considered

they also become remedies to try and reverse the stagnation of industry or overcome its consequences. Familiar capitalist formulae are recast in a European context. The problems of speculation, short termism, currency volatility, unemployment, inflation etc. are not resolvable in the circulation of money or commodities, cannot be cured by management of public and private sector spending. These problems stem from the nature of production itself under contemporary capitalism and its tendency to over-accumulate and drive down the rate of profit.

It is this overriding tendency for the rate of profit to fall and capitalism's attempts to overcome it, that spur the drive towards monetary union and the creation of a powerful imperialist bloc. This bloc has to be capable of taking on the other imperialist blocs and contending more effectively than it has done on the world stage. It will necessarily be militaristic and parasitical in character and dominated by monopolies. Social democracy recognises that it needs a strong imperialist bloc if it is to survive amid conditions of relative social stability in Britain and Europe. The isolation of Britain from the imperialist power blocs would seriously threaten the conditions that have sustained relative social and political stability in this country since 1945. This recognition motivates Labour Party policy on Europe.

Although Britain's relative position as an imperialist power has declined this century, it can still offer the European project the valuable resources of its inheritance: the City, massive overseas investments and the military-industrial apparatus. It was Tony Blair who said he wanted Britain to become the Hong Kong of Europe; Hong Kong, along with Tokyo, is the financial centre of the Far East.

The City

It is precisely the predominance of the City and finance in the British economy that has reinforced the anti-European tendencies among British capitalists, giving them the illusion that Britain can go it alone or carry on with its 'special relationship' with the USA. The strength of this tendency was revealed in the battle over Westlands in 1985-86 (see FRFI 56) when Thatcher and United Technologies of the USA won out against Heseltine and a European Consortium for ownership of the helicopter company.

It was two years from the destruction of the Berlin Wall in 1989 to the signing of the Maastricht Treaty in 1991. The collapse of the Soviet Union and the reunification of Germany have reduced Britain's strategic significance to the USA. The strategic position and economic potential of Germany have grown. The relative weight of the US economy compared to that of Europe has slightly diminished since Westlands. This has been accompanied by an increasing European penetration of the City as German and European industry tries to combine with British banking and finance to strengthen its global position.

The City, on some estimates, generates 23% of Britain's national income.



In part one we examined the history of Britain's relationship to the European Union (EU) and the steps towards a single European currency, the euro, scheduled for launch in 1999. In the context of re-emerging power blocs the British ruling class resolved to ally with Germany and Europe. If this means joining a single currency then so be it.

Labour Party policy mirrored the evolution of ruling class thinking and presented itself as the most reliable vehicle for carrying out the wishes of multinational capital. It is the biggest British firms that have been most concerned to adjust government policy towards Europe. They chilled towards persistent Tory Euro-scepticism. Prime Minister Blair and Chancellor Brown plan to take Britain into the single currency after the next general election.

Nowhere in the miles of newsprint written on the single currency can you find the defining characteristics of imperialism which underpin the motion towards currency union. Currency union is a component of economic and political consolidation conducted by finance capital; the alliance of monopoly industrial and banking capital. It is done because of the level of integration in ownership and production of European finance capital, resulting from its ceaseless quest to expand. It is done in order to better compete with the USA and Japanese-centred power blocs, to more effectively compete for world markets and resources, to oppress the majority of underdeveloped nations and intensify the exploitation of the working class in Europe.

Most arguments about the single currency leave the giant corporations out of the picture, as though we lived in a world of free markets and not monopolies, of democratically responsible governments and not concentrations of hidden and irresponsible power. The question is not whether one is pro or anti Europe, but whether one is pro or anti capital, but this is the last question the monopoly-owned media will have us ask.

The case for

Arguments for a single currency divide into two varieties; one celebrates the virtues of more efficient markets and financial stability, the other, from the social democratic left, sees the prospects of government regulation of markets enhanced and the post-1945 consensus between capital and the majority of the working class and middle class sustained - a pan-European Keynesianism.

Candidly expressing the corporate view in favour of a single currency, the *Financial Times* describes national government policies as increasingly irrelevant as companies operate globally. Companies are able to avoid national tax rates and labour regulations they deem undesirable. Thus defence of a national currency as defence of national government powers is futile. A single currency will create a fully-integrated European market like that of the USA, but bigger. Currency fluctuations and devaluations are major inhibitors of international trade, but with a single currency they will be gone from the member countries. The most cost-effective and trusted firms will win in the wider, more free competition that results. Consumers will benefit from the greater choice in goods and services before them and prices will be transparent, allowing direct comparison across the member countries. Price discrimination, whereby, for example, the same car sells for different prices in different countries, will be abolished by the single currency.

Furthermore, the single currency should afford some protection from the storms that blow through the international currency markets. Since 1985, foreign currency and international securities transactions have increased ten-fold to \$1.5 trillion a day, \$100 million a minute. Such vast speculative sums repeatedly demonstrate how damaging they can be to economies and governments: witness Asia today and the UK's ejection from the European Exchange Rate Mechanism

urrency



It employs about 650,000 people, almost as many as the entire population of Frankfurt (site of the new European Central Bank). London has over 540 banking companies, more than any other city in the world. It has the world's largest foreign exchange market, accounting for 30% of global currency trade or \$470 billion a day – more than Tokyo and New York combined. The City has half the world's trade in non-local shares. In terms of foreign share dealing, London does 23 times as much business as Frankfurt and 125 times as much as Paris. London is the centre of the world's gold trade; it has the largest international insurance and shipbroking business; it ranks second only to Tokyo as a fund management centre; the LIFFE derivatives market exceeds that of the Chicago Board of Trade, and so on.

Over 50 of the world's 500 biggest firms are British, compared to 21 from Germany and 19 from France. Eleven of Europe's top 25 multinational companies are British and Anglo-Dutch. These are major world players and are at the centre of plans for Europe. Their representatives sit in the Labour cabinet (see FRFI 140).

The City has an awful lot to lose if exclusion from the euro should draw business across the Channel to Frankfurt and Paris and European capital has a lot to gain from integrating the City into its own orbits. European finance has been buying up British merchant banks and brokers: ING of the Netherlands bought Barings, Swiss Bank Corporation took SG Warburgs, Dresdner Bank from Germany took Kleinwort Benson, Deutsche Bank bought Morgan Grenfell etc.

British multinational capital and the City will bargain to ensure that the City retains its position as the financial centre of Europe and becomes the centre for euro-denominated deals. It cannot stand outside the move to a single currency without having its ability to subordinate potential European rivals undermined. At the same time, the drive to establish the euro as a rival to the dollar and to create a powerful European power bloc requires the City.

The move towards a single currency is part of a political and economic process that is unfolding; there is not yet an homogeneous European bloc with a centralised state power and coordinated European ruling class. Britain, in particular, carries with it capital's ties of yesteryear. It is not just a matter of Far Eastern, Middle Eastern and Latin American banks trading in the City as legacy of the Empire, the ties to US capital remain strong.

In 1993 approximately 30% of foreign direct investment earnings to British firms came from Europe and 30% from North America. That same year 35% of total accumulated UK investment holdings overseas were in Europe and 39% in the USA. In 1996 41% of direct US investment into Europe came to Britain. The nearest rival recipient was the Netherlands with 12.8% of the total. Britain received more US direct investment than the Netherlands, Germany, France and Italy combined. Again this underlines the specific character of British capitalism, drawn from its legacy of being the world's oldest modern imperialist power.

This particular relationship of British to US capitalism is viewed with suspicion in Europe today as it was in the time of de Gaulle (see FRFI 140). It remains Britain, under Conservative or Labour governments, that is the most willing to deploy military force in the Gulf, that offers diplomatic defence for Israel, that is most energetic in attempting to integrate Turkey into European institutions, all with the blessing of US imperialism. As yet US and German foreign policy differences, for example in the Balkans, have not forced a major dispute between the USA, Britain and Germany, but the potential is growing as Germany looks east and south. In Africa the British have opportunistically sought to benefit from the contention between the USA and France in west and central Africa, without engaging in the competition.

Significantly, as the Balkan conflict demonstrated, the USA remains the major military power in Europe since the collapse of the Soviet Union. US troops are stationed in over 100 countries. European economic power is not matched by military power. Consequently, France has persisted with nuclear tests to demonstrate its usefulness to Germany and the European project and to assert its position among contending imperial powers. Britain, the world's second biggest arms exporter, with Europe's two largest arms manufacturers, British Aerospace and GEC, and one in ten of its manufacturing workers employed in armaments, offers the prospect of enhanced military capacity that a truly powerful European bloc requires.

Merger mania

1997 closed with the merger of Union Bank of Switzerland and the Swiss Banking Corporation. 1998 opened with the announcement of the intended merger of two of Germany's most famous names Krupp and Thyssen. The new banking megalith will have assets of nearly \$600 billion or more than triple the size of Turkey's and Indonesia's Gross Domestic Products. It will be Europe's biggest bank and the world's second biggest.

On one day in October 1997 five mega-mergers in Europe were announced. Their combined worth of \$130 billion exceeds the Gross Domestic Product of Portugal. By mid-October 1997 merger and acquisition deals totalled \$245 billion for the year, compared with \$253 billion for the whole of 1996. Lazard's merchant bank, in which the Pearson group is a major shareholder and which is also a major shareholder of Royal Dutch Shell, Europe's biggest firm, tripled its merger and acquisitions business in 1997.

These mergers and takeovers are necessary for survival against US competition and to drive down costs. They are the consequence of the need of capital to raise the rate of profit and for European capital to establish monopoly positions in order to fend off US and Japanese multinationals.

There can be no question of a successful resistance to the poverty and oppression that is intended for Europe's workers unless social democracy is confronted and replaced as the leadership of the working class by independent working class organisations that resurrect the socialist cause

This year France's number five retailer bought up Belgium's biggest grocer; Marks and Spencer has announced that it is buying 30 locations in Europe. When the German firm Rewe took over Austria's Billa chain it commanded nearly half of Austria's food market. Such concentrations of ownership are to be the norm for Europe and they are the financial manifestation of an enormous concentration of power in the hands of a handful of capitalists. All talk of making the European Union more democratically accountable, of reforming its institutions to achieve a responsible Europe, such as we hear from Ken Livingstone and sections of the left, are delusions for as long as these monopolies exist.

A mirror to the future

'The wind of competition has become a storm and the real hurricane lies ahead.' Heinrich von Pierer, head of Siemens

The European working classes can look to Britain over the past two decades to see their future if they do not resist. The rise and permanency of unemployment, the weakening of trade union power, destruction of welfare provisions and rights at work, temporary employment as the norm, this is the future that is upon them now.

Between 1991-94 over 1 million jobs were lost to west German industry. From 1991-95 300,000 jobs went from the German auto industry, with no loss in output. Volkswagen intends to shed up to 8,000 jobs in four years, raising productivity by 30%. Half of its Polo model is made outside Germany. In

1995 Bayer, Hoescht and BASF, chemical monopolies, recorded their highest-ever profits, having shed 150,000 jobs in the preceding years. The threat of redundancy and transfer of production abroad is being used to drive down German wages and increase the working week. Membership of the German trade union federation, the DGB, dropped

by a fifth from 1991-96. Attacks are being mounted on sickness pay, minimum wages and the right to strike; familiar enough to British workers.

The concept of a pan-European social democracy preserving conditions of life for workers, of British workers sharing the benefits of their European counterparts looks increasingly like a lie as European capitalism gears up to do global battle in the pursuit of markets, resources and profits.

Resistance

Many European workers can see they are facing a club of bankers and multinationals; resistance has emerged. As the Maastricht criteria for monetary union began to bite, Italian workers took to the streets against pension cuts in 1994. In autumn 1996, 350,000 German trade unionists demonstrated in Bonn against proposed public spending cuts and changes to employment protection laws. On 17 October 1996 a third of all French public sector workers struck in defence of jobs and incomes. Spain and Greece have also had large protests against the effects of preparations for monetary union.

These workers should examine Britain to see the perils ahead. As in Britain, many are now confronted by social democratic as opposed to conservative governments. These are the enemy that is closest to them and can do them most harm. As in Britain, they are the wolf in sheep's clothing, enfeebling the working class, all the better to proceed with the monopolists' and bankers' plans.

Simultaneously, in Europe we see the disproportionately high number of young people voting for fascist parties in France, Austria and Denmark as the conventional parties of the working class fail them.

In Britain, the greatest allies of the energy multinationals and ruling class during the 1984-85 miners' strike were the Labour Party and trade union leaders, excepting the miners' leader, Arthur Scargill, who was consequently isolated and left the Labour Party. The defeat of the miners opened the way for the kind of capitalist rampage that faces the European working class. There can be no question of a successful resistance to the poverty and oppression that is intended for Europe's workers unless social democracy is confronted and replaced as the leadership of the working class by independent working class organisations that resurrect the socialist cause. There can be no possibility of a civilised and progressive Europe until the multinational bankers and monopolies are the ones that are dispossessed. ■

INTERVIEW WITH JULIO MARTINEZ 2ND SECRETARY OF THE UJC

FRFI first met Julio Martinez Ramos when he was First Secretary of the Provincial Union of Young Communists (UJC) in Ciego de Avila. He provided the inspiration for Rock around the Blockade's first solidarity project with the UJC two years ago. He is now Second Secretary of the National UJC and was elected to the Central Committee of the Cuban Communist Party at its Fifth Congress last October. TANIA JACKSON spoke to him in Havana.



What are the main priorities of the UJC following the Congress?

Strengthening the political and ideological work within the comites de base [grassroot UJC committees] in workplaces and study centres. Also working intensively with young people to improve efficiency, a major theme of the Congress – using available resources more rationally in order to spend less, at all stages of work.

Tourism has been greatly boosted to bring in hard currency. In 1995 income from tourism surpassed that from sugar production. But there are also downsides to tourism, particularly with respect to young people.

When we decided to accelerate the growth of tourism, we foresaw the problems and inequalities that would be created. These are fundamentally social problems: prostitution and asking for money from tourists. In spite of the inequalities created – those working directly with tourism can earn dollars – it has been essential for the survival of the country. It is something Cubans don't want, but it is necessary to survive.

How does the UJC combat the problems?

The whole country – the government, the Ministry of Education, the FMC (Federation of Cuban Women) and other state organisations, as well as the UJC's branches amongst tourism workers, are working together. Remember, this is a period of transition and there is no unique recipe to solve such social problems. The UJC plays an important role in combating prostitution, through its comites de base and working with the FEU and FEEM in study places, supported by articles in publications such as *Juventud Rebelde*, the youth's weekly newspaper. Work has also been done amongst the Pioneers [children aged 7 to 14] to dissuade young people from asking tourists for money.

Legalising the possession of dollars and the fact that some people receive dollars as part of their salary or through tips has obviously resulted in many changes in Cuba.

We work in different ways with those that do and those that don't have access to foreign currency. Amongst those that do, we work to try to increase the moral stimulus of work, to do voluntary work in the sugar harvest and to encourage them to give a proportion of their tips in support of such things as health programmes.

Those who don't have access to dollars are the majority but on the whole they understand that this is a necessary stage at the moment. Also, more workers are getting access to dollars as part of their salaries – those in joint-enterprise companies, and increasingly in basic industry and fishing – so this is a decreasing problem. We have also opened up a network of exchange houses where those who don't earn dollars can legally exchange peso earnings to buy goods in the dollar shops.

What about the ideological work of the UJC?

Right now, we're improving the ideological preparation of UJC activists and are introducing a better system to discuss our country's problems.

We are currently discussing the documents from the Fifth Congress, and the preparatory document for the forthcoming UJC Congress: 'Las razones y el futuro'. The document discusses the effects of the collapse of the socialist bloc and the problems of neoliberalism and globalisation.

We aim to improve the discipline of activists within each comite de base and ensure that the problems of each member are discussed individually. Also, in accordance with the theme of the Fifth Congress, we must be efficient, and, as Che said, capable: our activists must be amongst the best in each work or study centre. We have the advantage that Cuba is one of the few countries that can see the future clearly because we are constructing socialism. In spite of our problems, we are strong because we have the comites de base in each place of work or study, and we have the system that integrates us with the FEU, FEEM and the youth Pioneers.

However, increasing the rigour of our selection progress means the actual membership of the UJC has decreased – plus the fact that, since there was a surge in the population after the Revolution, large numbers of Cubans are in their early thirties now. However, the fact that 70% of our membership have joined since the fall of socialism in Europe is encouraging. We gained 70,000 new members in 1997, to give more than 400,000 overall.

What impact does the US blockade have on the work of the UJC?

The principal problem is the pressure of economic difficulties. The UJC obviously lacks the same things as the country in general as a result of the blockade. Transport is a major problem for the organisation at every level.

The enemy has also increased its ideological onslaught on our youth, and capitalist mechanisms in some work centres and also self-employment have an ideological impact too, making our work more difficult. We have also had the problem, due to the continuous flux of professional workers that have to move on, of a lack of sufficient preparation and education of our new workers. However, we have still been successful in our work, as our hosting of the 14th World Youth and Student Festival showed.

What is the role of international solidarity towards Cuba?

It is very important. Even more important than material donations, for which of course we are very grateful, is that young people come and learn about the reality of Cuba. Our truth is not transmitted by the world press, so we need people to come here and see it for themselves and tell people in their own countries what they have learnt. It also means our youth talk with the visitors and hear about the problems and struggles of young people in other countries, not only what is shown on TV and in films. ■

CUBA defender of human rights

The forces of counter-revolution clearly hoped the Pope's visit to Cuba at the end of January would spark off the downfall of communism in Cuba, as he claimed to have done in Poland. It was not to be.

Unsurprisingly, the Pope condemned high rates of divorce and abortion and attacked communism. But as hundreds of thousands of Cubans heeded Castro's call to welcome their visitor, the vultures of the imperialist press were hard-pressed to find any sign of organised dissent. Their hopes of a new 'Velvet Revolution' dashed, they nevertheless used the opportunity to indulge in a frenzy of Cuba-bashing. Economic hardship was blamed exclusively on 'an outdated socialist model'. Nowhere were the effects of the blockade seriously analysed, nor the remarkable gains of the Revolution. Instead, the talk was exclusively of 'human rights abuses' and 'lack of democracy'. Many of these accusations have already been refuted in an informative and inspiring book, *Democracy in Cuba?*, by Venezuelan author Carlos Méndez Tovar.*

'Human rights': debunking the myth

While imperialism's apologists concede that there are no death squads in Cuba, no 'disappeared', no detention without trial and no torture – in sharp contrast to the US's favoured 'democracies' of Latin America such as Brazil, Guatemala and El Salvador – the US continues to cite human rights abuses as its main rationale for the blockade, a cry taken up by the Labour Party in Britain. But in 1994, a secret document from the US Interests Section (USINT) in Havana made clear the administration's duplicity: 'The processing of refugee applications continues to show weaknesses. More people apply because of the deteriorating economic situation than a real fear of persecution... Common allegations of fraudulent applications by activists and the sale of testimonials by human rights leaders have continued... almost none of the cases show proof of house searches, interrogations, detention or arrest. However, the USINT will maintain the flexibility to present cases that may not meet all of the criteria but may prove useful for US interests. Given CIA's expressed interests in the subject of human rights and its greater involvement with and better knowledge of the different groups, we suggest closer cooperation with USINT in line with our common goals.'

Cuba denies holding around 500 political prisoners. They are, it argues, counter-revolutionaries who have actively organised against the

Revolution through acts of sabotage and complicity with the US in campaigning for multiparty elections which could only benefit imperialism and a market economy. With the US poised to exploit divisions and fund dissent, Cuba cannot afford the luxury of allowing these reactionar-



Young Pioneers guard a polling box

ies free rein to destroy the Revolution. But the voices raised so loudly in their defence are silent when it comes to the hundreds of prisoners, the majority of them black, held on death row in the US, including framed political prisoners like Mumia Abu Jamal – or those locked up in Britain simply because they are too poor to pay their bills.

People's power vs plutocracy

Many journalists who condemned Cuba as undemocratic were in the country on 11 January, when 98.5% of the population went to the polls (see report from Tania Jackson). Yet 'undemocratic, one-party dictatorship' remains their term of choice in describing Cuba, though the Cuban system is arguably the most democratic in the world.

The Cuban Communist Party does not stand in elections. Those chosen do not have to be Party members but ordinary local people known for their hard work and commitment; it is not surprising that the majority of such Cubans are also in the Communist Party. But, as Castro stresses, 'the Party neither nominates nor elects. The candidates are proposed at the grassroots level by the citizens and

those who are chosen there are the candidates.' (*Granma International*, 11 January 1998) He added 'If counter-revolutionaries were in the majority, they could win the election and take over the government. But they know they're not going to have a majority.' Voting is not compulsory, the ballot is secret, the count is public, and the ballot boxes are guarded by Pioneers – children aged seven to 14. The only publicity allowed is a single sheet of paper with the candidate's picture and brief CV.

What a contrast with the US, where campaigns are run like glossy advertisements for brand products and all but multi-millionaires are excluded from seeking political office. In 1996, candidates for office in presidential and congressional elections spent a total of \$2.2bn (£1.37bn) according to the Center for Responsive Politics in Washington, with the top spender Bob Dole (\$131m). Clinton spent \$113m, Perot \$37m. The average winning campaign for a Senate seat cost \$4.7m and for a House of Representatives seat cost about \$673,000. 94 candidates spent over \$1m each. As *The Guardian* pointed out: 'The figures show that 92% of House races and 88% of Senate contests were won by the candidates who spent the most money... politics is becoming the preserve of the rich.' (26 November 1997) Increasingly, the poor and the dispossessed don't bother voting, because there is no one to represent their interests. Clinton was elected on a turnout of barely 43% of the electorate.

The facade of bourgeois democracy is even starker in the USA's so-called backyard. Where leaders who challenge imperialism's interests somehow succeed in being elected – Arbenz in Guatemala or Allende in Chile – the US will not hesitate to fuel bloody repression to re-establish an order more appropriate to its needs. The Helms-Burton Act stipulates that the only elections in Cuba the US will accept are those which result in a regime amenable to its interests.

What are human rights?

The US magazine *What is democracy?* presents the official view of the US government regarding human rights:

'The list of basic human rights is tending to grow longer. To the essential liberties of freedom of expression and equal treatment before the law, groups have added the right to employment, to education, to one's



'Cuba knows no fear and despises deceit; it listens with respect but believes in its ideas; it firmly defends its principles and has nothing to hide from the world.'

own culture or nationality and to decent standards of living...

'But when such benefits proliferate as rights, there is a tendency to devalue the significance of basic civil and human rights.'

Today, in the Third World, six million children under five die every year from malnutrition. This terrible death toll is the direct result of imperialism's exploitation of the poor nations of the world. It daily denies the basic right to life to millions of people. More broadly, the bourgeois concept of human rights exemplified above seeks to deny real equality of rights to the vast majority of humanity. Méndez Tovar shows how only socialism can defend a real and humane concept of human rights - and how far short the US falls of that ideal.

He argues, for example, that 'the elemental right to learn to read and write is inalienable', since equality of rights cannot exist without equality of opportunity. Illiteracy in Cuba was eradicated in 1962. Cuba has 200,000 teachers - one per 37 inhabitants - and the highest per capita number of students in the world. Special schools exist all over the island for children with disabilities. UNICEF figures give Cuba one of the highest literacy rates in the world, with 98.2% of the population having received at least 8th grade education.

The US *World Almanac* for 1994 gives the US illiteracy rate as 4.5%. US vice-president Al Gore admitted 'It's disgraceful we have this level of illiteracy. Countries like Cuba put us to shame.'

In the US 40 million people lack basic health insurance. The US ranks 17th in the world in terms of child immunisation and, if you take only figures for children who are not white, they plunge to 70th place, below Burundi or Mongolia. Independent US congressman Bernard Sanders stated: 'With every passing day, our economic development bears a closer resemblance to any of the so-called developing or Third World countries, and 22% of our children [14 million] are living below the poverty line. Every day, five million children go hungry on the streets of the US, while two million adults (many of them mentally ill), wander the streets because they have nowhere to live.' Hunger and homelessness in the US are set to rocket further this year, despite its booming economy.

In Cuba, mass vaccination programmes have virtually stamped out common childhood diseases. Health

care is free and universal, and there is one doctor for every 200 people. Despite the blockade, infant mortality has dropped still further to 7.2 per 1,000 live births for 1997, and Cuba is one of the only countries to have already achieved world health targets set by the WHO for the year 2000. There is no homelessness, and no children living on the streets.

These few examples (Méndez Tovar also examines in detail concepts such as the right to work, the right to sport and culture, the rights of women - and the abuse of human rights involved in the blockade) indicate what a concept of human rights needs to be to have any meaning. He ends with a vigorous denunciation of the hypocrisy of the racist and barbaric US and its so-called notion of human rights:

'No one can fool a people by telling them that their rights are respected when the legal system absolves policemen who have beaten up a citizen, almost killing and disfiguring him; when innocent people are sentenced to the electric chair; when information on those responsible for crimes committed by persons in the high echelons of power is hidden from them for 100 years; when unjust wars are unleashed against other countries for the sake of egotistical interest... when men and women are discriminated against because of the colour of their skin, their gender or social background; when the overthrow of governments and the assassination of heads of states elected by popular consensus are ordered.'

'Among the few concessions the US government grants to the oppressed classes is the right of all citizens to the same protection before the law and to have access to due legal process and a fair trial.'

'But these postulates didn't work for Rodney King, nor for the Rosenbergs or any of the other innocent people whose death sentences were carried out... or for those who remain in jail under inhuman conditions and with no legal counsel. Abstract rights and liberties are of no use. If one does not have sufficient human compassion to consider education and health care as human rights, of what use is freedom of expression for the millions of illiterate, marginalised and homeless people in the US and the Third World if no one listens to them?'

Cat Wiener

* *Democracy in Cuba*, Carlos Méndez Tovar, published by Editorial Jose Martí, Cuba, 1997. All quotations from this book, unless specified otherwise.

The Pope's visit Tania Jackson reports from Cuba

Is the Pope a communist? Is Fidel a Catholic? Well, those anti-Cubans in Washington believe the former and hope for the latter. But the reality is that Cuba achieved a media and goodwill coup by inviting the Pope here and putting huge resources into ensuring that his visit was seen as a success.

3,000 of the world's press descended on Cuba, many in time to witness Cuba's elections to the national and provincial assemblies on 11 January. Given Cuba's isolation in the world, reports of the existence of democratic elections in Cuba may have come as a surprise to many, breaking the image of Cuba as an 'undemocratic dictatorship'. A massive 98.5% of the electorate voted - an amazing 99.9% in Cienfuegos province, and even the City of Havana, with the lowest turnout, recorded 97% participation. Of the total votes, 3.36% were blank and 1.64% void - can any other country in the world demonstrate greater electoral participation? Moreover, 94.39% of the votes cast were for the 'Voto Unido' or united vote in support of all the candidates.

The US TV news networks also provided live coverage of an interview with Fidel by four Cuban journalists. Live coverage of the Pope's visit was shown on television in the US and elsewhere in the world.

Anti-Cuban propagandists in the US had tried to show that Cuba was blocking the people's participation in the Pope's visit, saying Cuba had provided only half the transport the Vatican needed. In reality, the Vatican's requests amounted to 100% of the country's transport resources! No doubt these same propagandists were planning to have counter-revolutionary provocateurs amongst those greeting the Pope, holding placards and shouting slogans in front of the world's press. This was foiled by encouraging the whole population of Havana, believers and non-believers, to line the Pope's route into Havana, with local Committees for the Defence of the Revolution mobilised to deal with any provocation.

So why had Cubans, non-believers as well as believers, been asked to greet the Pope with courtesy and consideration? Mainly to show, through extensive world media coverage, that Cuba exists and resists, in a unipolar world and in spite of the continued onslaught of the US. It forced the US on the defensive, with Clinton having to make a statement defending US sanctions and send an envoy to Cuba to explain the US position to journalists, meanwhile postponing for another six months the clause of the Helms-Burton law that would impose sanctions on businesses in countries that trade with Cuba. As Castro said in the departure ceremony, 'Cuba knows no fear and despises deceit; it listens with respect but believes in its ideas; it firmly defends its principles and has nothing to hide from the world.'

CIA stooge journalist banned from Cuba

Readers of FRFI will be delighted to know that, as 3,000 of the world's press descended on Cuba to cover the Pope's visit, *Independent Latin American* correspondent Phil Davison was not amongst them, having been denied a press pass by the Cuban authorities. You will remember that US-based Davison has produced a stream of lies and invective attacking the Cuban revolution over a number of years, most notoriously in July-August 1995 when he published a series of articles more reminiscent of a CIA press release, accusing Cuba, amongst other things, of interring political prisoners in mental asylum and persecuting people with AIDS. Rock around the Blockade held a picket of *The Independent* buildings in Canary Wharf at the time and sent copies of his articles to newspapers and organisations in Cuba.

Music for the youth of Trinidad de Cuba



Rock around the Blockade's new solidarity project will provide state-of-the-art disco equipment to the young people of Trinidad de Cuba, in the province of Sancti Spiritus. This beautiful 17th-century Spanish colonial town draws thousands of tourists every year to its cobbled streets and white sand beaches and two discos exist for their entertainment - but they are accessible only to those with dollars. In a province where nearly 50 per cent of the population is aged under 30, the local Union of Young Communists (UJC) is desperate to provide comparable facilities for its own young people, paying a few pesos for a night of dancing and enjoyment.

The UJC in Trinidad has already acquired a centre for the project, partly roofed and partly open-air that can accommodate 600 people. They need an audio system with 2kw output, a twin-deck tape recorder, mixing desk and lights, including UV, rotating lights and spotlights and ideally would like the disco to be up and running by 30 December 1998, to celebrate the 40th anniversary of the Revolution on 1 January 1999. That leaves Rock around the Blockade just 10 months to raise the £5,000 we need to buy the equipment.

Providing the UJC with sound systems - as Rock around the Blockade has done in the province of Ciego de Avila for the last two years - also plays an important role in bolstering their political work in maintaining revolutionary commitment amongst the youth and countering the attractions of tourism and access to dollars. Rock around the Blockade also provides material solidarity to schools and youth computer groups.

As well as offering concrete support to Cuban communists and fighting against the US blockade, Rock around the Blockade works to build a socialist movement amongst the working class here in Britain capable of offering Cuba the kind of solidarity it needs - because the survival of Cuban socialism is in our interests too. As part of building this link, we have regularly sent brigades of young people from Britain to experience the realities of the Cuban Revolution for themselves and will be sending a group of activists in December 1998 to celebrate the 40th anniversary of the Revolution, work on an agricultural camp in the province and take part in political meetings and events. If you would like to be considered for inclusion in this group, get involved with Rock around the Blockade now!

Rock around the Blockade will be organising fundraising activities and publicising the project all over the country. This year's campaign was launched at a public meeting in London entitled 'Cuba: dispelling the myths' timed to coincide with bourgeois press coverage of Cuba during the Pope's visit. The audience heard Professor

Théodore MacDonald, author of books on health and education in Cuba, condemn the US blockade and the distortions of the press, and extol the concrete gains socialism has achieved for the Cuban people. A lively and successful fundraising salsa night has already been organised by the University of London Union's Cuba Vive society, which works closely with the campaign. We need your support and your involvement, not just to raise the money but to explain to people why solidarity with Cuba is so important. Please join Rock around the Blockade, come to the events listed below, or send a donation to the campaign.

COMING EVENTS

LONDON

■ Street stall: Sunday 8 February, 2-4pm. Tavistock Square, Portobello Rd, London W12 (nearest tube Ladbroke Grove)

■ The campaign meets regularly in London fortnightly on a Monday at 8pm, Conway Hall, Red Lion Square, London WC1 (nearest tube: Holborn). Next dates: 23 February, 9 March, 23 March. All welcome

■ Weekend 18/19 April: Remember the Bay of Pigs! Imperialist hands off Cuba! Demonstration outside US Embassy, Saturday 18 April; national dayschool, Millman Centre, Millman St, London WC1 Sunday 19 April

MANCHESTER

■ Public meeting
39 Years of Cuban socialism
Tuesday 17 February 6pm, Manchester University, Room 3, Student Union Building, Oxford Road

DONCASTER

■ Public meeting
Che Guevara and the Cuban Revolution
Thursday 26 February 8pm
The Old Volunteer Pub, Silver Street
Sponsored by Hatfield NUM

In January Rock around the Blockade launched a monthly newsletter to keep members and societies informed about our activities. Please send details of your events and short articles for the March edition of the newsletter to Susan Rose at Rock around the Blockade, c/o FRFI, BCM 5909, London WC1N 3XX or fax 0171 837 1743 or e-mail: rcgfrfi@easy.net.co.uk. Tel: 0171 837 1688 for further details.

I would like to join Rock around the Blockade and enclose £10 (waged) £4 (low-waged) £2 (unwaged/students)

I would like to make a donation to Rock around the Blockade's project and enclose £_____ donation.

(Cheques/POs payable to Rock around the Blockade)

Name _____

Address _____

Tel: _____

The defeat of the Liverpool dockers and the isolation of the Hillingdon Hospital strikers point to two conclusions. The first is that the trade union leadership is actively preventing any struggle against the Labour government. The second is that the left is powerless to do anything about it. Yet almost all the left believe that unions will play a crucial role in organising working class resistance, and that it is the job of socialists to transform these organisations into ones which can fight for working class interests. They say that the central strategy for socialists is to build 'rank and file' movements as a means of organising trade union members against their

bureaucratic leaderships and through this process capture the trade unions for working class struggle.

Robert Clough argues that this is a bankrupt strategy. The general experience in Britain has been that mass trade union struggles have only proved possible during periods of full or near-full employment. Furthermore, these have also been the only conditions where oppositional movements within the trade unions have threatened the stultifying grip of the union leadership. But for socialists, trade union struggle is not the same as class struggle. The first is about improving conditions of work – higher wages, shorter hours, more security. The second is about power. The first is by definition only possible in conditions of relative prosperity. The second requires conditions of acute economic and political crisis.

Communists and the Trade Union Movement

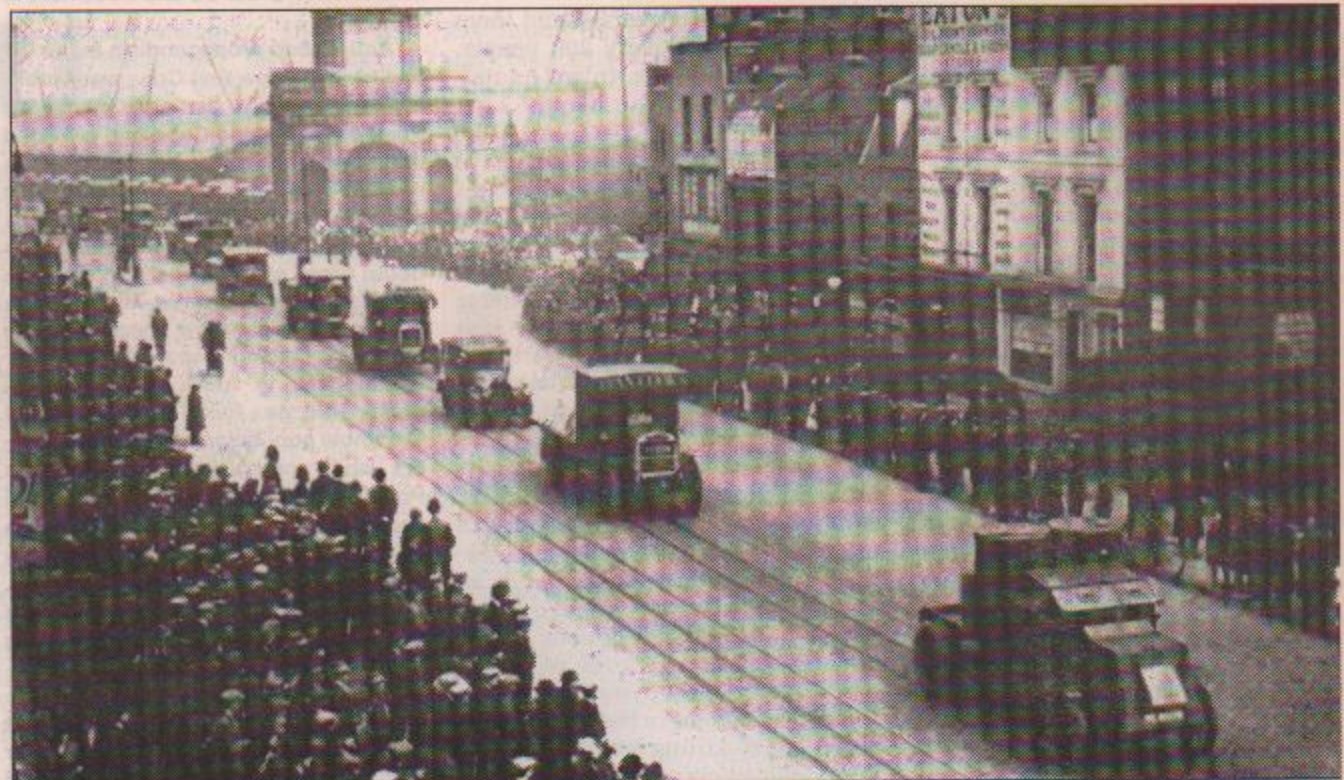
The one time when trade union struggle presented a significant threat to the British ruling class was in the period leading up to the 1926 General Strike. It was also the only period when a widespread trade union struggle took place against a background of high unemployment. Critical to this was the role the newly-formed Communist Party played through the Minority Movement in influencing wide sections of the trade union movement. This article examines why this period was an exception, and how in the end, the working class was defeated. It will look at how the trade union movement evolved, and how that evolution expressed a changing relationship between the ruling class and the labour aristocracy on the one hand, and the labour aristocracy and the working class on the other.

Trade unions prior to the First Imperialist War

Following the defeat of Chartism in 1848, British imperialism entered a long period of relative economic prosperity, underpinned by its colonial and industrial monopoly, and its consequent domination of world trade. To ensure political stability, the ruling class made a number of concessions to what became a privileged stratum of skilled workers and craftsmen, including the legalisation of economic trade union activity, and the extension of the vote. This labour aristocracy was able to use its sectional strength in the labour market to obtain better wages and conditions, on average earning twice the level of wages of an unskilled worker.

Only briefly were their sectional interests challenged, when in a period of full employment in 1889-90 an alliance of socialists and unskilled workers created new unions which within a space of a year recruited 300,000 workers, 25 per cent of TUC membership in 1890. But as unemployment rose these unions lost virtually all their membership under a combined attack of the ruling class and its labour aristocratic allies, and began to ape the organisational and political methods of the old craft unions, rejecting recruitment amongst the casual and unskilled labourers in favour of those in stable employment.

However, this was also the period when Britain's industrial monopoly came under increasing challenge from German and US capitalism. The pressure was most acute in those indus-



A food convoy passing down East India Dock Road during the General Strike of 1926

tries where the labour aristocracy predominated: iron and steel manufacturing, shipbuilding and engineering. A number of major strikes in the 1890s threatened an end to political stability. The ruling class could no longer rely on the sectional strength of skilled workers in their craft unions as an indirect control of the working class. It had to develop more direct means, through the incorporation of the trade union leadership into the state. The first step in this process was the development of a very basic state welfare system from 1906 onwards, with the introduction of labour exchanges, national insurance and old age pensions, and with the unions involved in their administration.

Such incorporation, however, required a more centralised and authoritarian form of trade union organisation, and presented the possibility of opposition from union members when leaders failed to represent their interests. Between 1911 and 1913, conditions of near full employment led to a series of strikes which involved hundreds of thousands of workers, skilled and unskilled. As trade union leaders attempted to restrain the movement, oppositional movements led principally by syndicalists – a tendency which argued that the route to socialism lay through trade union struggle – acquired significant influence. The national character of the

disputes, such as those on the railways and docks in 1911, and in the mines in 1912, led to confrontations with the state itself. In 1912, for instance, the government sent warships to the Mersey as a threat to striking Liverpool dockers.

The reactionary role of the trade union leadership was at its clearest during the Dublin Lockout which started in August 1913, based on an alliance between revolutionaries (James Connolly and James Larkin) and the mass of the disenfranchised working class. Requests for TUC support yielded nothing, despite demonstrations of massive support from British workers. When James Larkin appealed over the heads of the leaders for sympathy action, the response was immediate: seamen's leader Havelock Wilson attacked him viciously. At a special congress of the TUC in December, leaders such as Ben Tillett, once a revolutionary, denounced the strike, condemning Larkin's 'unfair' treatment of British trade union officials. Larkin responded against a growing uproar, condemning the TUC for its betrayal. The Dublin workers were isolated and eventually starved into submission. The threat posed by a revolutionary struggle in Britain's oldest colony could not be tolerated by a stratum whose privileges depended on the viability of British imperial-

ism, and they acted decisively against it.

Trade unions during the war

The outbreak of war accelerated the incorporation of the trade union leadership into the state as they rushed to the defence of British imperialism. The TUC proclaimed an industrial truce, and agreed to a ban on all strikes. Its rewards were substantial: participation in all kinds of state committees to oversee production and distribution, and for the Labour Party, the offer of Cabinet positions in the Coalition Government. In return, the labour aristocracy was expected to police the working class, and ensure a minimum of resistance to speed-up, falling wages and the dilution of skilled labour.

However, conditions of full employment fanned working class discontent, and during the latter part of the war, oppositional movements within the trade unions, most notably the Shop Stewards and Workers' Committee Movement led a series of strikes particularly in the engineering industry. More generally, trade union membership expanded considerably: from 4 million in 1912 to 6.5 million in 1918. But although the unofficial movements were led by socialists or syndicalists, they were never anti-war. JT Murphy, a syndi-

calist, who led the very militant Sheffield Workers' Committee, wrote later that 'None of the strikes which took place during the course of the war were anti-war strikes. They were frequently led by men like myself who wanted to stop the war, but that was not the real motive. Had the question of stopping the war been put to any strikers' meeting it would have been overwhelmingly defeated.'

Even in February 1918, after the Russian Revolution, *Solidarity*, the paper of the shop stewards' movement, argued against any industrial action to stop the war because there would be no certainty that German workers would follow suit. The irony was that this was the point at which 400,000 German engineers went on strike, precisely with this purpose in mind. The ideological weakness of both British socialism and the mass of the working class had prevented the development of any durable challenge to the domination of the trade union leadership. The struggles never acquired a revolutionary or anti-imperialist character.

The post-war period

The immediate post-war period saw an explosion of working class resistance. In January 1919, servicemen marched on Downing Street protesting at the slow rate of demobilisation. Later that month, a near-general strike in Glasgow saw fighting with the police. One of its leaders, William Gallagher, later admitted 'we were carrying on a strike when we ought to have been making a revolution'. Meanwhile, the Miners' Federation of Great Britain (MFGB) voted 615,000 to 105,000 to strike for a 30 per cent wage increase, a 6 hour day and the nationalisation of the industry under workers' control. Only with great difficulty was the leadership able to postpone and then call off the strike on the basis of a substantial wage increase and the promise of a seven hour day. In June, 300,000 cotton operatives struck, to be followed in September by 350,000 railway workers.

The scale of struggle continued into 1920 in conditions of near-full employment. 34 million days were lost in strikes; trade union membership grew to 8.3 million, 6.5 million of whom were in unions affiliated to the TUC. Trade union membership was no longer the preserve of a privileged minority: it had become the first step in the organisation of the working class as a whole.

The formation of the Communist Party

As we have seen, the creation of a mass trade union movement during the years of the war, and the growth of oppositional movements within it, did not in themselves lead to a significant political shift within the working class. This became a possibility only with the creation of the Communist International. Even so, establishing a Communist Party in Britain proved a tortuous process, given the political weakness of the existing socialist movement. Two tendencies predominated: an idealist, propagandist trend embodied in the British Socialist Party, and the syndicalist movement centred on the Socialist Labour Party (SLP). The BSP separated socialism from the day-to-day struggles of the working class, whilst the SLP opposed any concept of political leadership. The founding conference was delayed until August 1920, and it took a further two years to create a really unified Communist Party.

The question was how this tiny organisation (no more than 2,000 to 3,000 members) would become a mass communist party with the size and influence of those in Germany and France. For Lenin and the Communist International, working in the trade unions was vital: 'To refuse



YESTERDAY-THE TRENCHES



TO-DAY-UNEMPLOYED

Two Labour Party posters from 1923 which reflect the disillusionment of workers

to work in reactionary trade unions means leaving the insufficiently developed or backward masses of the workers under the influence of reactionary leaders, the agents of the bourgeoisie, the labour aristocrats... Millions of workers in England, France and Germany are for the first time passing from complete lack of organisation to the elementary, lowest, most simple and... most easily accessible form of organisation, namely the trade unions.' In this context, communists had no choice but to work within the trade unions: this was the arena in which the struggle against the labour aristocracy for the leadership of the working class would be played out.

The formation of the Communist Party coincided with the threat of a renewed British intervention against the Russian Revolution, following the victory of the Red Army over a Polish invasion in April 1920. As the Red Army advanced to the Polish frontier, Prime Minister Lloyd George threatened retaliation should it cross the border. Already, London dockers had boycotted munitions bound for Poland being loaded onto the SS *Jolly George*. Now Councils of Action - nearly 300 in all - sprang up across the country under the slogan of 'Hands off Russia'; Lenin was to describe them as soviets. Huge demonstrations took place on 8 August. Under pressure, the TUC and Labour Party held a conference the next day which threatened a general strike against any intervention. The government retreated rapidly. Imperialism and its opportunist allies had been checked, though not defeated.

The Communist Party and the trade unions

Lenin's stricture that communists must work in the trade unions was directed in part against the left wing of the CPGB, in particular former syndicalists who wanted no part of the old trade union movement. Within months of the formation of the CPGB, the immediate post-war boom had turned into slump. Unemployment grew from 250,000 to 2 million, and by the end of 1921, 6 million workers had suffered wage cuts averaging 6 shillings a week, while trade union membership had fallen by 2 million.

The sharpest crisis was in the coal industry, where falling prices precipitated a conflict between the government and mine owners on the one hand, and the miners on the other. On 15 February 1921, the government announced it would terminate war-time controls over the industry at the end of March. At the same time, mine owners issued a demand for heavy wage cuts. The MFGB appealed for support from their partners in the Triple Alliance, the railway and transport workers. The government authorised a state of emergency under the Emergency Powers Act. A strike was called for Tuesday 12 April; on Thursday, the MFGB leader Hodges made an unau-

thorised offer for a temporary settlement to a group of MPs. He was promptly disowned by the MFGB executive, but JH Thomas, leader of the NUR, seized on this as an excuse to abandon the miners, and on Black Friday, 15 April, the remaining leaders of the Triple Alliance followed suit. The miners were left to struggle alone for three months before being forced back to work.

By the end of 1921, the unions had paid out nearly £15 million in unemployment benefit to their members. TE Naylor, a Labour MP and secre-

which the government could deal. The curse of trade unionism was that there was not enough of it, and it was not highly enough developed to make its branch secretaries fall in line.'

The collapse of 1921 dealt a significant blow to the Shop Stewards Movement which had just declared its allegiance to the CPGB. The party faced a position where the trade union movement was very fragmented - there were over 1,000 unions, many of which remained organised on the narrowest of craft basis, although there had been significant amalgamation for instance of the engineers and the transport workers in the immediate post-war period. Its slogans of one union for one industry and for more centralised powers for the TUC betrayed a narrow organisational approach to the problems it had in fighting the labour aristocracy.

Despite the crisis of 1921, the work of the party started to develop. At the end of 1921, it led the formation of the National Unemployed Workers Committee Movement, whose ranks were swelled by many of the engineering shop stewards who were sacked in this period. At the same time, it formed a British Bureau of the Red International of Labour Unions affiliated to the Communist International, whose aim was 'not to organise independent revolutionary trade unions, or to split revolutionary elements away from existing organisations of the TUC...but to



AJ Cook speaking in Trafalgar Square

tary of the London Society of Compositors, told the House of Commons: 'I want the government to realise, if they can, what would have happened in this country, supposing that there had been no trade unions to stand between the working class of this country and the revolution which would have undoubtedly broken out.' He did the government an injustice: Churchill in Cabinet two years earlier had argued that 'the trade union organisation was very imperfect, and the more moderate its officials, the less representative it was, but it was the only organisation with

convert the revolutionary minority within each industry into a revolutionary majority'. The Bureau held a conference in September 1922 which attracted over 300 delegates representing 176,000 workers. This was the germ of the Minority Movement.

By 1923, the CPGB newspaper *Workers' Weekly* was selling 50,000 copies even though party membership was only about 5,000. A partial economic recovery in 1923-24 stanchied the exodus of trade union members. The defeat of 1921, even though limited, had allowed the

labour aristocracy partially to consolidate its position in relation to the mass of the working class. Trade union amalgamation had been one step; the creation of the TUC General Council had been another. Meanwhile, the tentacles of the Labour Party spread throughout the movement: the 146 Trades Councils and Labour Parties affiliated before the war grew to 389 in 1918-19, whilst by 1920 the number of divisional and local Labour Party organisations had topped 2,000.

Thus the labour aristocracy was transforming itself into a centralised force controlling a myriad of organisations which embraced a substantial proportion of the working class. Yet it could not as yet defeat its opponents: the 1923 Labour Party conference overturned a decision of the previous year to discourage trade unions sending Communist Party members as delegates. Oppositional movements grew in a number of unions, in particular the MFGB, where the embryonic Minority Movement secured its first major success in getting AJ Cook elected as General Secretary to replace the traitor Hodges who had become Civil Lord of the Admiralty in the first Labour government.

The formation of the Minority Movement

Following a number of preparatory conferences, the Minority Movement was officially launched in August 1924. 270 delegates representing a claimed 200,000 workers resolved that its aim was 'the emancipation of the workers from oppressors and exploiters, and the establishment of a Socialist Commonwealth'. Yet the Movement was faced with how to connect this ambition with the reality that trade unionists were concerned with more immediate issues. Hence it argued that 'While aiming ultimately at the complete overthrow of the capitalism, the attention of the movement must necessarily be concentrated on the immediate struggles of the workers against their exploiters.' Put more simply: 'Bread and butter problems first, high politics later, is the method to adopt.' The conference agreed a number of policies, including:

- a wage increase of £1 per week with a minimum wage of £4 per week;
- a 44 hour week and no overtime;
- the formation of workshop and factory committees and industry-based unions;
- workers' control over industry;
- a stronger TUC General Council, with control over the Labour Party;
- the affiliation of both the Unemployed Workers' Movement and the Trades Councils to the TUC;
- the repudiation of the Dawes plan, which had rescheduled German repayment of post-war reparations to the victorious imperialist powers.

Yet mainly organisational solutions to the problems facing the British working class ignored the political dimension of the struggle against opportunism. Speaking from the chair at the CPGB's 1924 conference, William Gallagher argued that 'The Communist Party does not attack the Labour Party. The Communist Party strives all the time to make the Labour Party a useful organ of the workers in the struggle against capitalism, but we do attack the leadership of the Labour Party and will go on attacking it until the Labour Movement has forced it either to prosecute a working class policy or to make way for a leadership that will do so.' In other words, the problem of the Labour Party lay in its leadership, rather than what it represented - opportunism.

With its frequent references to 'reformism' and 'bureaucracy' the Communist Party had lost sight of the

split in the working class, of the existence of the labour aristocracy and its connection to imperialism. The centralisation of the trade union apparatus, the formation of the General Council, were steps which marked a tightening of Labour's stranglehold over the trade unions and thereby the whole working class. To call for a further strengthening of this centralised power showed a basic misunderstanding of the underlying process.

The left has often attributed the political weaknesses of the Communist Party in 1924-26 to the reactionary influence of a 'Stalinised' Comintern.



MacDonald, Thomas and Clynes (highlighted)

This is not the case; the International was constantly instructing the CPGB to strengthen its anti-imperialist work, complaining that it had done 'as good as nothing' in the colonies and that its documents contained not 'a single word by which the English Party declares itself unequivocally for the separation of the colonies from the British Empire'. The over-riding political failure of the CPGB lay in its inability to adopt a consistent anti-imperialist stance, and to connect that to the struggle against opportunism – the historic failure of British socialism.

The Minority Movement and Red Friday

The defeat of the Labour government at the end of 1924 brought in the Tories determined to restore British imperialism's position in the world economy through a return to the Gold Standard, a move which took place in April 1925. This was a move that had long been demanded by banking and finance capital, which fully recognised that the consequence would be strongly deflationary, involving wage cuts for the mass of the working class. Prime Minister Baldwin spelled it out in June: 'all the workers in this country have got to take reduction in wages to help put industry on its feet'.

The key to defeating the working class lay in smashing the miners: one million in number, they made up one sixth of the male work force and nearly one in five trade unionists. On 30 June, the coal owners gave a month's notice terminating all existing agreements, with drastic wage reductions, abolition of a minimum wage and reversion from national to local agreements. The Minority Movement may have been politically limited, but it had an organisational strength which prevented the trade union leadership from backing down at this point. On Thursday 30 July, the TUC called for an embargo on the movement of all coal, a move which would have precipitated a general strike. Unprepared for this resistance, the government backed down the following day – Red Friday. It offered a nine month subsidy to buy time and appointed a commission of enquiry into the industry under Sir Herbert Samuel.

From this point on it was quite clear that once the subsidy expired, there would be either a capitulation by the TUC, or a general strike. As it turned out, it was to be both. Whilst

the government made all due preparation, dividing up the country into separate administrative areas, establishing the Organisation for the Maintenance of Supplies (OMS), preparing for the movement of troops and warships to troubled areas, the TUC did absolutely nothing. At its second conference in August 1925, the Minority Movement found impressive support from over 400 organisations representing up to 800,000 workers. There were delegates from 200 miners' groups, 126 engineers' and 76 transport workers' organisations. But the political level

had not advanced: the conference repeated the call for more powers to be given to the TUC General Council although it did agree to set up local Councils of Action to co-ordinate future action.

The inaction of the TUC was an obvious attempt either to prevent the general strike from taking place, or to ensure its defeat, and the Minority Movement was not strong enough to do much about it. The September 1925 TUC Congress sounded extremely left-wing: it declared that the aim of trade unions must be to struggle for the overthrow of capitalism; it called for the withdrawal of troops from China, and 'to support the right of all peoples in the British Empire to self determination, including the right to choose complete separation from the Empire.' Yet it would not decide on any preparatory steps to meet the coming confrontation; it even ruled a resolution re-affiliating Trades Councils out of order. Meanwhile, two leading right-wingers, JR Clynes and JH Thomas were re-elected to the General Council.

Two weeks later, the real strengths of the opposing forces were revealed at the Labour Party conference. The right-wing made all the running, whilst left-wingers on whom the Minority Movement and the CPGB had pinned great hopes – Purcell, Hicks and Swales, leaders of three of the smaller unions – remained silent. With the bourgeois press led by *The Times* egging on the Labour Party to ban the Communists, the conference agreed that no known member of the Communist Party could remain a member of the Labour Party, and that trade unions should urge their members not to appoint known Communists as Labour Party delegates. The signal had been given: two weeks later, 12 Communist Party leaders were arrested for sedition, and sentenced to between 6 and 12 months.

Thus the labour aristocracy made its own preparations for the general strike: inactive where its position was still under some threat (in the TUC), using its strength to exclude and isolate any progressive and revolutionary force where it was stronger – in the Labour Party. Whilst right-wingers such as Thomas, MacDonald and Clynes led the witch hunts, it was the left social democrats, people whom Gallagher had described as 'good proletarians' for their role in Red Friday, whose silence sold the

revolutionaries down the river.

The arrest of its leadership did nothing to stop the CPGB and the Minority Movement from attempting to organise an opposition. In March 1926 it organised a special conference in preparation for the forthcoming confrontation. This time nearly 550 organisations were represented, including 52 Trades Councils which were to serve as the nuclei of Councils of Action. The 900 delegates represented 957,000 workers; it was a force which alarmed the ruling class as well as its allies in the labour movement. But with its iron grip on the General Council, the labour aristocracy was now determined to isolate and crush the challenge it faced.

The General Strike

The Samuel Commission reported on 10 March, a few days before the special conference of the Minority Movement, recommending, as expected, a cut in wages and longer hours. Although welcomed by MacDonald, it was initially rejected by the TUC. But in negotiations with the coal owners and the government which excluded the leadership of the MFGB, the General Council started to back down. JH Thomas was in constant contact with Prime Minister Baldwin; even AJ Cook took to back-door negotiations with the Fabian Cabinet Secretary Tom Jones. On 16 April the coalowners announced a total lockout from 1 May. In growing desperation, the TUC tried to force the miners to accept the 10 per cent wage cut the Commission proposed, to no avail. On 30 April, a Special Conference of the executives of TUC-affiliates was forced to issue a call for a general strike, starting on 3 May. The vote (3.6 million to 50,000) disguised the fact that both JH Thomas and JR Clynes had fought unsuccessfully to prevent their unions (the NUR and NUGMWU) from supporting the call. They were to play leading roles in the subsequent betrayal.

Even before the strike had started, the TUC were back in Downing Street negotiating with Baldwin behind the back of the miners, and agreeing on 2 May that they would 'urge the miners to authorise us to enter upon a discussion with the understanding that they and we accept the [Samuel] report as a basis of settlement and we approach it in the knowledge that it may involve some reduction in wages.' But the government was not

stitutional rights and freedom of the nation.'

The TUC was thrown into panic: the government had now posed the strike in terms of state power, something they had never dreamed of doing. Clynes and his colleagues sought audience with Baldwin 'to plead, almost on our knees, for a less cruel arbitration' saying later that 'we the leaders, had never sought the strike; our men to some extent ran away with us.' Baldwin dismissed them out of hand.

The first day of the strike, involving transport, printing, industrial, building and power workers was solid. By the third day of the strike, the problem for the unions was to keep those workers scheduled for a second wave of action – shipyard, textile and light industry workers – back at work. Meanwhile, local Councils of Action were taking over the arrangement of supplies. Mass pickets 'arrested' those suspected of breaking the strike or moving goods illicitly, impounding their vans and lorries. Road and rail transport ground to a halt; on Tyneside, the OMS had to negotiate with the strike committee to unload food supplies, agreeing completely to their conditions.

As control of the strike gradually slipped from their grasp, the TUC accelerated their moves to end it regardless of terms. Excluded by the government, they turned to Sir Herbert Samuel, entering into discussions on 8 May, once more behind the back of the miners. On 11 May, the TUC accepted a re-hash of the Samuel Report, and JH Thomas in pressing it on the MFGB told Cook that 'You may not trust my word, but will you not accept the word of a British gentleman who had been Governor of Palestine?'. The MFGB rejected the terms, but gave the space to the General Council to call off the strike. The next day, a deputation from the General Council went cap in hand to Downing Street to announce that the 'General Strike is to be terminated forthwith in order that negotiations may proceed.' Baldwin himself gave absolutely no commitment, and having received the surrender, dismissed them curtly with the words 'we have both of us a great deal to do...and I think that the sooner you get to your work and the sooner I get to mine the better.'

The surrender was received with consternation; meetings up and



TUC leaders leaving Downing Street, November 1926

satisfied, and when on 2 May members of NATSOPA, the printers' union, refused to typeset an inflammatory editorial in the *Daily Mail* because its owners refused a right of reply, Baldwin stopped the negotiations. In a statement to the TUC, he wrote that not only had the TUC asked 'their members in several of the most vital industries and services of the nation to carry out a General Strike on Tuesday next, but that overt acts have already taken place, including gross interference with the freedom of the press. Such action involved a challenge to the Con-

stitutional rights and freedom of the nation.'

down the country protested at the decision, to no avail. Throughout, the strike had been solid: there were more workers out on strike on the last day than there were on the first. The Communist Party and its allies had played a leading role in the Councils of Action and the mass pickets: of some 2,500 arrests, over 1,000 were of Communist Party members, singled out by the police for special attention. As in 1921, however, the miners had been abandoned; they were to continue their struggle for a further six months before they were finally forced back to work, defeated.

The aftermath – 'Never again'

Before the strike, the Communist Party had considered the possibility of a betrayal, but concluded 'the TUC simply dare not do this thing'. Its reaction afterwards was one of astonishment at the role of the left on the General Council: 'this treachery, unexpected and fatal, was greater than the expected treason of Thomas'.

The defeat of the General Strike was a victory for the labour aristocracy; it was the necessary condition for it to isolate and destroy the opposition of the Minority Movement. Under the slogan 'Never again' the TUC forced Trades Councils to sign a form declaring that 'this trades council is not affiliated to the National Minority Movement...and that, as a body, it is not associated in any way with the National Minority Movement.' Starting with the General and Municipal Workers, a number of trade unions banned members of the CPGB or the Minority Movement from any official position. Labour Conference after Labour Conference tightened the rules over Communist membership, expelling dozens of local parties which refused to co-operate in the witch hunt. No discussion was allowed of the role of the General Council during the strike, although a former left-winger, Bromley, wrote a lengthy criticism of the MFGB which was widely published. Class struggle was ruled out. By 1929, the Minority Movement was all but defunct.

Conclusion

The failure of the Communist Party lay in its inability to understand the connection between imperialism, the labour aristocracy and opportunism. In the period under discussion, the struggle against imperialism was at best an afterthought. The party was therefore in no position to see how opportunism was evolving in line with the changing strategy of the ruling class. What it saw one-sidedly as progressive – the growth of institutions which organised the working class – had also its reactionary facet – the development of means through which the state could more effectively control the working class. The leaders were not the only problem: the institutions were as well.

As we have argued, this political weakness was not the imposition of a 'Stalinist' Comintern: it was and always has been entirely home-grown. It is the weakness of the left today, with its support for the re-election of a viciously anti-working class Labour government. It cannot build independent trade union 'rank and file' movements since it has no understanding of the labour aristocracy. The fact is now that the labour aristocracy's position has been unchallenged for decades. Trade unions, even where they have low-paid members such as in Unison, represent the interests of the better off. They are unions which stamp out even the tiniest sign of working class activity, whether it is that of the Hillingdon strikers or the Liverpool dockers. The left is incapable of dealing with this, and will inevitably capitulate to the backwardness of trade unionism.

It is of course possible the currently unorganised sections of the working class will turn to the trade unions as a first step in advancing their class interests, but there is no sign that this is happening at the moment. More and more it is evident that the unions will only respond if a movement is built outside of their ranks. The conclusion is that communists today do not neglect the need to intervene in trade unions, or to support struggles when they take place. They cannot, however, make them the focus for building a new movement.

Racism in psychiatry

Black people and sectioning Deryck Brown, Little Rock Publishing 1997 (PO Box 14908, London N1 1WH) £9.50

In the current climate of hysteria generated by the mass media concerning the 'dangerousness' of mentally ill people, this book gives us a sobering account of the misuse of the powers of compulsory detention and treatment given to the police, psychiatrists and other professionals under the 1983 Mental Health Act.

It presents the findings of a study which examines the beliefs and attitudes of those involved in the sectioning process (as compulsory detention is known) and finds systematic racism which affects decisions at every stage when black people are concerned.

It has been recognised for many years that black people (ie people of African or Afro-Caribbean descent) are much more likely to be sectioned than white people; in the inner city area looked at, the chances were three times higher - 48% of those sectioned were black, compared to 17% of the population.

Interviews with those involved start with those who are frequently the first point of contact for people who may have mental health problems such as police and GPs, going on to social workers, psychiatrists and nurses. These interviews found that racially prejudiced stereotypes played a significant role in decisions about when to section people, what type of section to use (black people being detained for significantly longer) and when to use forcible restraint and treatment such as sedation and seclusion (which are used much more with black people).

This treatment was justified by claims that they were in general 'more dangerous and excitable' than white people. This view was not only common amongst the police, as you might expect - one policeman is quoted as saying 'If you can't understand them, they probably

won't be able to understand you, therefore the more likely you are to find yourself using some form of restraint. Violence is more of a factor because persuasion can't be used and particular groups do tend to get more excitable than others'. There were also some GPs, one of whom said 'It seems there is something in the physical make-up of black people which predetermines the presence of schizophrenia. They would require higher doses of sedative drugs than white people as they don't respond to normal measures.'

Once in hospital, things are little better, with physical restraint being used on 14% of black people compared to 2% of whites, and medication as a sedative used for 24% of black people compared to 14% of whites. Overall, 75% of the professionals involved thought that black people were more dangerous.

It is also evident that there is no great concern about changing this state of affairs, as the guidelines issued to the police, social workers and doctors involved, concerning sectioning, make little reference to race or cultural issues. Though this study was initially supported by both the Commission for Racial Equality and the Mental Health Act Commission (which is responsible for monitoring the implementation of the Act), the report was left to gather dust for two years before being published.

We can have little faith in the ruling class and its lapdog the Labour Party taking up the struggle for black people or those suffering from mental illness as they pander to the media's portrayal of the mentally ill and it is difficult not to conclude that there is some truth in the belief that psychiatry does serve a social control function, with Afro-Caribbean communities in particular perceived as marginal and a potential threat to social order.

Andrew Pacey

Kurdistan: the dirty war and people's responsibilities

Since 15 August 1984 in our country, Kurdistan, a war has been going on between Kurdish freedom fighters (ARGK) and the Turkish forces.

As is already known, the Kurdish people want to have the same rights as Turks. Like other nationalities, they want the right to use their own language and observe their own social and cultural customs. To open-minded people, who believe in democracy, these do not seem strange or unusual expectations.

The Kurdish question is political and the solution therefore needs to be political as well. Unfortunately, there is not likely to be an immediate political solution to this problem and more lives are likely to be lost. The solution will come from Turks, Kurds and other united people from other countries all working together to achieve the common goals of equal human rights and living standards.

The time is now to stop this inhumanity and make sure that people live as human beings.

LETTERS

write to FRFI BCM Box 5909 London WC1N 3XX
e-mail: rcgfrfi@easynet.co.uk

The other side of the coin is that a minority of people are benefiting from this dirty war. This group are daily adding profit to their capital day by day. We Kurds and Turks are either losing our relatives daily or paying the economic price of the dirty war. If you just look at the price of bread and compare the price we paid at the beginning of last year with the price we are paying now, we will see clearly the differences.

However, we should not be satisfied with the work already done for Kurdish independence and need to continue working to increase support. In addition, we also need to invite support from new sources. When we consider that there is a whole world to win and equality between brothers and sisters to be gained, we should do our best to achieve this.

Without loss of time, we should support the cause of humanity, as happened in the Vietnam war. I believe support for the Kurdish cause, beginning with Turks and Kurds, should come from all nationalities. The cause of humanity is common to us all.

HIKMET BOZAT
HMP Bullingdon

Manchester runway protesters gaoled

Months after the end of the protest to stop Manchester airport's second runway being built, after the relatively media-friendly eviction of the protest camps, the state is now taking its revenge. On 27 January two protesters, John Davis and Ian Williamson, were sent down for 12 months, found guilty of Violent Disorder and causing £2,000 worth of damage to a security fence. They had also been charged with police assault, with the police telling the jury that they had been attacked by a 'mob of screaming and hating protesters as bad as the Toxteth or Moss Side riots'. The jury didn't believe this fantasy and found them both not guilty on that charge.

More activists face charges, although after the sentences already handed out, they might follow the example of three activists who were due to appear with John Davis and Ian Williamson, and disappear! Defend the Manchester Runway protesters!

BOB SHEPHERD
Manchester

Repression in US gaol

Revolutionary greetings from the Luminous Combat Trench (prison)!

On 4 December 1997 I was whisked off the Mountain View unit in Gatesville Penitentiary to the Gatesville Unit's Riverside camp. I was the only prisoner moved that day and I still do not know the reasons for the move. As soon as I got to Riverside, the Texas Department of Correctional Justice (TDCJ) began a publicity campaign about me, 'alerting all guards' on how bad, assaultive, dangerous and violent I was. I was then assigned to the 'medical' hoe squad, in violation of TDCJ medical guidelines which preclude assigning me to any hoe squad, 'medical' or whatever, due to age (60 next July).

I turned out for work only to be disciplined when after a while I couldn't keep pace with my co-workers, none of whom is even 40.

Next work turnout I showed up for work again, but after two hours I needed a rest: instead I was handcuffed and sent back to my cell, then given a major disciplinary and 30 days in solitary confinement.

As a last resort on 16 December I went on hunger strike and on 22 December was sent to Reception HSA (super-maximum security) in Gatesville Unit. I was put in a strip-cell with a low pressure faucet (impossible to drink any water without a cup) and no cup. On the first day I had no blanket, bed linen or even socks and caught cold as a result. I have still not been allowed my legal papers or personal papers. Support is welcome and needed. Please write letters of protest to: Governor George Bush, PO Box 12428, Austin, TX 78711, USA and Wayne Scott, TDCJ Director, PO Box 99, Huntsville, TX 77342, USA.

ANA LUCIA GELABERT
#384484, Riverside, 1401 State School Road, Gatesville, TX 76528, USA

Fight press censorship!

Many thanks for the paper and card and for reporting on the Gandalf case in your newspaper.

Many people have suddenly woken up to the fact that our case has far-reaching implications for all radical publications and groups. The state wishes to silence dissent. If the CJA doesn't work, it will use conspiracy and incitement laws instead. People are put on trial for their opinions and ideas, not for what they have done.

I have had such a lot of letters of support from all over and I assume the other two have had the same. Noel Molland and Saxon Wood are being moved to Guy's Marsh prison near Shaftesbury in Dorset. I got a letter from a student at the University of East Anglia in Norwich saying they had been sticking up posters about the case all over campus. Index on Censorship have put some stuff about us on the Internet and there was a meeting in December at Conway Hall. It is amazing.

I hope that all of this will result in closer ties and more cooperation between all the radical groups, so that some good will come out of our imprisonment. The movement will become stronger and more effective, because people can understand how their basic freedoms are being trampled underfoot. They just aren't gonna take it.

Best wishes and good luck with your campaign.

STEVE BOOTH
HMP Lancaster

Support the Gandalf Defendants campaign by writing to the prisoners c/o Gandalf Defendants Campaign, PO Box 66, Stevenage SG1 2TR and affiliating to the campaign (£10). Next campaign meeting Wednesday 25 February, 7pm, Conway Hall, Red Lion Square, London WC1 (Holborn tube).

New US threat to Cuba

In June 1997 the US legislature passed a bill on defence spending which included the so-called Graham Amendment. Proposed by a Democrat senator for Florida (where else?) it aims to place the US on essentially a war footing in relation to Cuba and gives the green light to Graham's constituents, counterrevolutionary Cuban exiles based in Miami, to foment acts of provocation against Cuba.

It asks the secretary of defence to report by March 1998 on the military threat posed to the USA by Cuba and to prepare contingency plans for any 'hostile acts' by Cuba against US territory - including Guantanamo Bay on the eastern coast of Cuba, illegally occupied by the US.

While it may not pose an immediate military threat to Cuba - and the bill has yet to be signed by Clinton - the amendment represents powerful ideological ammunition for those seeking to attack socialist Cuba. We know, of course, that the real threat Cuba poses to the US is the challenge it poses to imperialism by setting an example to millions of oppressed people throughout the world and that is why the United States wishes to destroy it. Our job is to defend Cuban socialism against all attacks and interference by US imperialism, to fight the blockade and oppose this latest weapon in the US arsenal - No to the Graham Amendment!

JESSICA TAYLOR
South London

Innocent people denied right to speak out

Obviously by now you will know the Court of Appeal reversed the decision made last December by two prisoners (Simms and O'Brien) who fought for the right of those wrongly convicted to have access to journalists or any media willing to help investigate their convictions.

Now, it seems, an obscure clause was tacked onto the Criminal Procedure Act which became law last year. Clause 17 of the Act makes it illegal for any material or evidence to be passed on to any investigative journalist. If *Trial & Error*, *Rough Justice* or programmes like *World in Action* were to accept such papers, they would be in contempt of court. This law makes it an offence for any prisoner fighting to overturn their conviction to hand over case files or material vital to their case to any outside party willing to reinvestigate the case. Yet another process set in place to prevent miscarriages of justice being highlighted and reopened.

I find both the above procedures extremely frightening and until the government see fit to reveal the corruption within the justice system, more and more innocent people will languish in British prisons. The whole system needs attention and reforming, not more restrictions. We are not going to go away!

SUE MAY
HMP Durham

CHOOSE THE RCG

If you believe that the treachery of the opportunist British Labour and trade union movement must be challenged, then there is no alternative - Join the RCG!

I would like to join/receive more information about the RCG

I would like to join an FRFI Readers & Supporters Group

Name _____

Address _____

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FRFI needs £2,500!

As New Labour steps up its attack on the poorest sections of the working class with the complicity of the organised trade union movement, the need for the working class to organise independently in its own interests to oppose these attacks has never been greater. *Fight Racism! Fight Imperialism!* is the only newspaper which has consistently opposed the class interests of the Labour Party, today so nakedly exposed. Now we urgently need £2,500 to take forward our work campaigning against low pay, against cuts in benefits and for a revolutionary and socialist response to these attacks. We need to update the equipment in our office to produce our political material and plan to publish a series of pamphlets. You can help by rushing cheques or postal order to the FRFI Fund Drive, BCM Box 5909, London WC1N 3XX (payable to Larkin Publications)

I enclose £ _____ to support the Fund Drive

Name _____

Address _____

**FIGHT
RACISM**

FIGHT IMPERIALISM

Pickets, PolyGram and more lies

On the day before our picket of PolyGram, as part of the Worldwide Season of Conscience event in December to highlight the use of slave labour by multinationals, Bill Beddows (the manager of PolyGram's Blackburn-based operations) contacted my union attempting to have the protest called off. He advised Jim Bowie, TGWU District Officer, that the protest could be classed as 'secondary picketing' and as such was illegal. Despite Beddows' threats, and the torrential rain on the day, the picket was a great success, supported by several Trades Councils, various union branches, the Revolutionary Communist Group and supporters of the campaign from as far as Doncaster and London. Nigel was able to publicise what was happening at M&S Packaging and PolyGram when he was interviewed on the radio. Both M&S and PolyGram declined the opportunity to air their views.

The Campaign has obtained an internal memo, written by Jack Pye, the PolyGram manager who arranged Nigel Cook's sacking, warning PolyGram workers about the picket and ordering them not to speak to us. In the memo Jack Pye lies when he says 'we have not tried to stop the picket'.

PolyGram is currently forcing what is in effect a pay-cut on its workers. Workers at the neighbouring St Ives printing shop, where conditions are similar to those at M&S Packaging (casual labour employed on zero-hour contracts) and where covers for PolyGram CDs are produced, are currently trying to organise a union. So not surprisingly both groups ignored Pye's threats and willingly took our leaflets and told us about their own experiences.

A few days after the picket, workers from PolyGram, in what is clearly a two-fingered gesture to the bosses, sent the campaign a generous donation.

The campaign's regular stall in the town centre is now a familiar sight and attracts support from the many people who are, or know of someone, forced to work for poverty pay. They share their own experiences with us and tell us how 'Labour is worse than the Tories'. Most are under no illusions and understand that the fight against poverty pay is inseparable from the fightback against the cuts in state welfare.

Our stall is not so popular, however, with the owners and managers of the local shops. The manager of Andy's Record shop was very concerned about us mentioning the fact that the PolyGram CDs he sells at £15 each had, more than likely, been packed by workers who get paid a miserable £3 an hour. Firstly he threatened to sue us, and then fetched the police to move us on: both attempts failed.

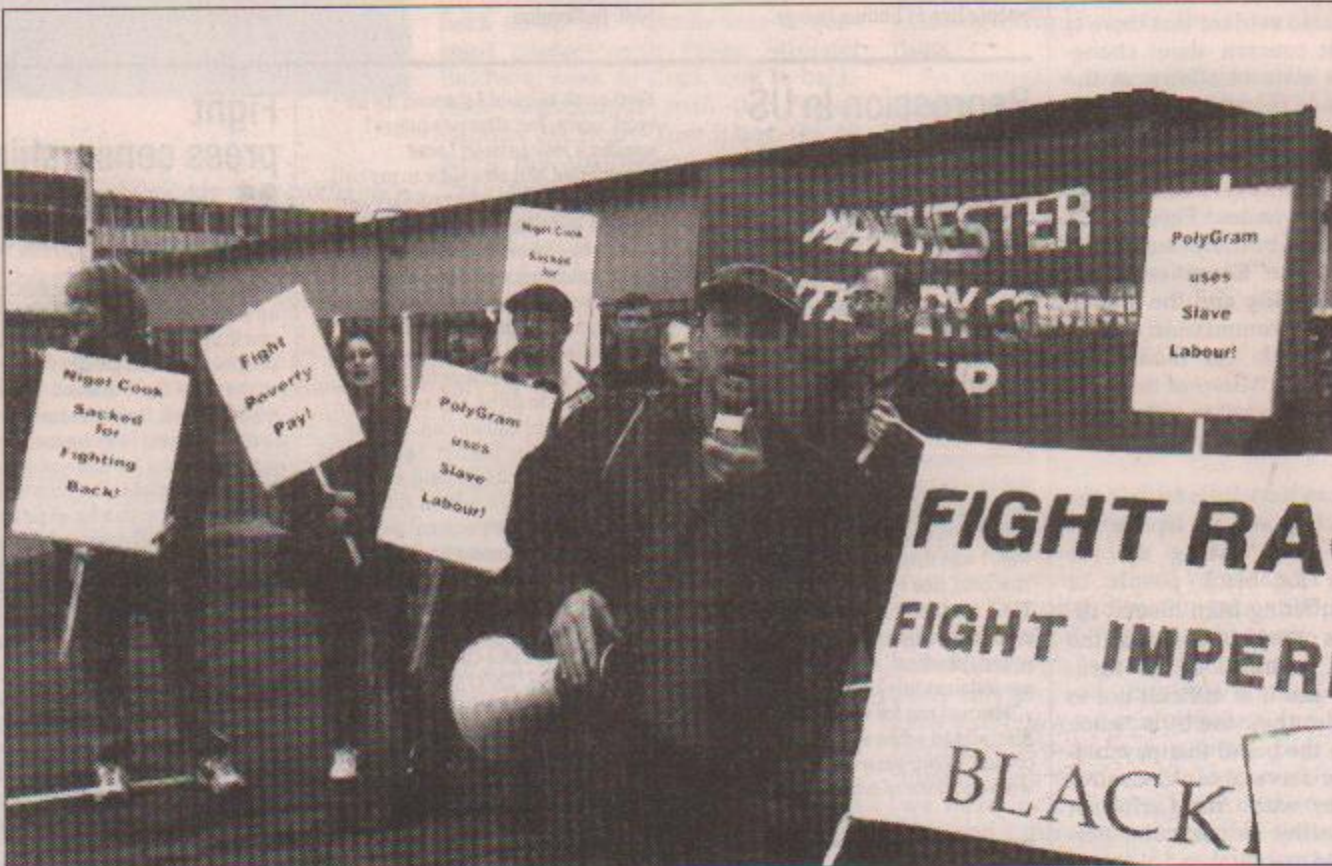
The following Saturday other shop managers tried to have us moved on. This time we were highlighting the fact that a lot of shopworkers are paid £2 an hour. Eamon Furlong, the shopping centre manager, who has advertisements for casual workers plastered all over the precinct, brought all his security guards with him, hoping to intimidate us into not using the megaphone. When that failed he also sent for the police.

Neither Furlong, his heavies nor the shop owners have ever threatened Jack Straw MP when he has his meetings. Hardly surprising since Straw never condemns slave wages when using his megaphone; on the contrary he supports 'partnership with business' and the use of casual labour.

Those who profit from poverty pay and the misery of slave labour conditions will try everything to stop people fighting back, from sacking workers who ask for their basic rights to getting them arrested.

Our message to such people is simple, the Reinstatement Nigel Cook Campaign will not be silenced.

FIGHT LOW PAY



JOBSEEKER'S ALLOWANCE - A RESTART INTERVIEW

Having been out of work now for six months, I had to attend an 'interview' with my 'client adviser', Lillian Starkey, at the local job centre. Starkey told me she was there to 'help' me get a job. Then, nervously, she asked who was sitting next to me. 'His witness' replied my friend. Starkey, even more nervously, reminded me that I had not worked for six months and suggested that perhaps my CV might need updating. I knew this wasn't the problem as I had recently improved it, adding the fact that I have been keeping busy collecting the names and addresses of employers who pay poverty wages. And, to the list of qualifications, I have added my recently-acquired skill of union organisation.

Starkey, staring at her computer, suddenly changed the subject: 'Look here's one for you. Hand loading 25Kg boxes all day and it's £3 an hour. You can start immediately'. Before I had chance to ask about little things like employee share options etc, Starkey was on the phone giving the manager all my details and arranging an interview. She told me he would contact me.

Then, as if she hadn't helped me enough, she asked me to sign a form. It read simply: 'I no longer wish to place any wage restrictions on my

availability for work'. I reminded her that her colleagues had already sent me for a job paying an obscene £1 an hour, and asked how low she wanted me to go. She replied: 'The pay at that job did rise to £1.35(!) an hour after six weeks, so you have nothing to worry about, just sign it'. I asked if I could alter the form to read 'I am no longer allowed to place...' to which, it appeared, she went deaf. So I signed the form as requested, adding that I did so under duress for fear of my benefits being stopped.

Starkey then terminated my interview. By chance I noticed a little red box flashing on her computer screen. As I pointed to it, she clicked the mouse and it disappeared. Obviously, I asked her could I see it again. Ashen-faced she stared at me blankly. After a considerable pause I remembered her possible deafness, so, politely raising my voice, I asked her again. The 60 or so people who were in the office must have sensed that she had difficulty hearing - they went quiet too. So with as much noise as I could muster I repeated my previous request.

It did the trick. Not only did my voice restore Starkey's hearing, it also propelled her in the direction of her colleagues. She whispered something in their ears. To the amusement

of the silent onlookers, Starkey's colleagues just froze in their tracks.

Starkey fled to the manager's office. After a ten-minute discussion, Starkey returned. In typical civil servant manner, she informed me that I could look at the red box for a brief moment and that I would not be allowed to write it down. If I wanted to know exactly what other information they have on their records I should put my request in writing.

So what was all the fuss about? - the information in the red box was a warning that Nigel Cook 'may bring his welfare rights adviser. He is suspicious about our Work Trial schemes and the other Employment Service schemes'. I asked Starkey why this type of information was kept on their files - not surprisingly, her deafness returned.

The legality of this type of information-gathering being used by the Employment Services is debatable. The Reinstatement Nigel Cook Campaign is now looking into this matter.

Afterwards as we were leafleting outside the job centre, a woman told us that she had asked for details of two jobs advertised inside. Her husband was in a shit job and she wanted the details so he could apply. The Employment Service staff would not give her the information and told her that her husband would have to come in and register. This proves that the Employment Services are not there primarily to get people decent jobs - they are there to get us off benefits.

Party with the rich at the Brit Awards



The Brit Awards is PolyGram's most prestigious event. Behind all the razzamatazz and inflated egos of the pop stars lie appalling work conditions and poverty pay for the workers who service the glamorous world of the music industry. In all the hype and speculation about who will get a shiny trophy what is not mentioned is the misery concealed behind the dazzle of the designer gear and lip-gloss.

Elton John, for example, has a personal wealth of £45 million. His Candle in the Wind song has sold 33 million copies worldwide. His CDs are packaged by workers who get only £3 an hour. Make-up artists working on the Spice Girl movie were casual workers who worked 14- and 15-hour days but only got paid for eleven of them. They weren't entitled to holiday or sick pay.

The Reinstatement Nigel Cook Campaign invites you to party with the rich, famous and fashionable at the Brit Awards, Monday 9 February. For the gate-crashers meeting point Tel: 0171 837 1688. Transport details from the Manchester and the North West Tel: 01254 679605. All welcome!

STOP PRESS

'We accept that the flexible Labour market is here to stay'
Margaret Prosser, National
Organiser TGWU

Only three days before the appeal hearing at Bristol Crown Court, Nigel Cook was informed by his solicitors that the TGWU would 'no longer continue with further financial support'. The letter offered no reasons but instead advised him that, should he wish to represent himself in court, he should collect the 'appropriate documents' from the solicitor's office. This appeal was against the decision made by District Judge Raskin, at Swindon County Court, who refused leave to take the case to an industrial tribunal.

When Nigel contacted the Union, Brian Dawson*, Regional Organiser of the TGWU in Manchester, told Nigel that he had written to the Industrial Tribunal and had the case 'struck out'. Dawson and Fergus Whitty, Director of the T&G's National Legal Department, have effectively sabotaged any last chance of getting his case for unfair dismissal heard.

Dawson and Whitty never consulted with Nigel before making the decision, and to date the Union have not formally notified him of the reasons. This is outrageous considering that Nigel was sacked for organising and recruiting workers for the T&G. This happened in the same week that the Liverpool Dockers were forced to end their dispute in part because the T&G refused to take a principled stand against the attacks on workers' rights.

The lesson to be learnt is clear, it is those workers who are directly affected by casualisation, poverty pay and appalling conditions who will lead any effective fight back. Fighting the sabotage and scabbing antics of the overpaid parasites is part of that fight!

*In 1985 Nigel Cook recruited 85 members into the T&G and was fighting for union recognition at Silicone Engineering, Blackburn. Management said they would gladly recognise the union on condition that Nigel Cook was not the Shop Steward and that the names of those who joined the union were given up front. The full time officers, without consulting the members, agreed to these conditions. They were Fred Greer and, you've guessed it, Brian Dawson.

Page compiled by Nigel Cook, Paul McManus
and Allan Hope