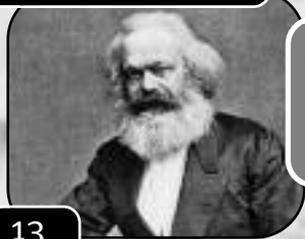


WORKERS

www.workers.org.uk

FEBRUARY 2011 £1

HISTORIC NOTES



1863: FOUNDING
THE FIRST
INTERNATIONAL

13



VULTURES AND VANDALS: THE EU AND THE NHS

JOURNAL OF THE COMMUNIST PARTY



Pensions A scam, not a crisis | 06



Our future A new industrial revolution | 10



Marxist Thinking Two classes in Britain | 14

IF YOU WANT TO REBUILD BRITAIN, READ ON

WORKERS

“ Work till you drop

THE GOVERNMENT is to scrap the default retirement age from October 2011, but employers looking to sack older workers will get more protection, with industrial and employment law to be amended to remove unfair dismissal challenges: rights and protection will not be statutory but will be another Code of Practice overseen by ACAS.

Retirement will now become one of individual choice and “freedom”. Especially the freedom to work until you die: the government plans to cut pension benefits by an estimated 15 per cent, by a sleight of hand in how pensions are calculated.

On one hand the government stresses the demographic “time bomb”, implying Britain is

running out of workers and needs mass immigration from the EU (never mind the soaring unemployment among 16- to 25-year-olds). On the other hand, it lifts protections for ageing workers. The result: another step towards an ever more “flexible” labour market – with unemployment used as a weapon to ensure that the flexibility all work for the employers.

Employers will never cease to exploit workers, be they children, women, men, youth or older people. Not for them the right to work. The abolition of the default retirement age, hailed by some as “personal choice”, will be a day we come to regret as we travel further into the nightmare of a deregulated labour market.

After 26 March

THE TUC and affiliated unions have set 26 March as the date for a demonstration in London against cuts. By then the government will have revealed its hand. Its plans for the NHS, education, housing benefit and all types of local service, regional development and bankers’ bonuses will be clear to all.

All will understand that the greatest threat to British civil society comes from these gangsters in Downing St.

The government says, “We are all in this together.” Actually we are: every worker, every student, retired worker, school child, unemployed worker, that vast majority of the British people who survive by working.

Britain is under attack from the parasites of Parliament and the Banks. Yes, we march in March but then plans B, C, D etc kick into place and from protesting to resistance becomes the order of the day. Away with the Coalition!



WORKERS is published by the Communist Party of Britain (Marxist-Leninist)
78 Seymour Avenue, London N17 9EB
ISSN 0266-8580

www.workers.org.uk
Issue 144, February 2011



Contents – February 2011

News

Unite launches campaign on legal aid, p3; The EU’s fees freeloaders, p4; Campaign for public libraries, p5

03

Features

The pensions scam – the excuses get more and more bizarre, p6; Vultures and vandals: the EU and the NHS, p9; What Britain needs to survive: a new, second industrial revolution, p10

06

Historic Notes

1863: Founding the First International, p13

13



LEGAL AID	Unite launches campaign
PFI	Paying the price
USA	Income gap widens
BA	Cabin crew vote to strike
UNIVERSITIES	The EU's fees freeloaders
LIBRARIES	Fighting for survival
ACCOUNTING	Flawed standards
UNEMPLOYMENT	No work for the young
EUROBRIEFS	The latest from Brussels
WHAT'S ON	Coming soon

Campaign for legal aid

UNDER THE slogan "Justice for All" the union Unite has launched a campaign to oppose the current legal aid budget cuts of £350 million. Over 800 legal and advice agencies, charities, trade unions and community groups have come together to defend the principles on which the legal aid system was set up in 1949, and to make recommendations for a modern service. Interest in this issue at Westminster on 12 January resulted in a committee room so packed that overflowing that the campaign launch had to be held twice. Above the hubbub politicians could be heard promising support. But anyone with an ear to hear could detect the warnings: every speech was prefaced with the twin mantras: "We need to deal with the deficit", and "There can be no blank cheque".

The roots of legal aid can be traced back to the 19th century, in the right to a fair trial and to the right of the poor to receive the free advice of counsel. Where it was mandatory to be represented, duty solicitors were established. Essentially, however, this was Victorian charity and individual legal action.

But as trade unions began supporting their members with legal advice (which often had the effect of heading off industrial action), governments were forced to consider a state system of means-tested aid, and the Legal Aid and Advice Act for England and Wales was passed in 1949. In Scotland a similar system extended also to criminal cases.

The main principle was recognition that the working class still had relatively little redress under capitalism. In the years following World War II the principle of collective rights based on public policy prevailed, and in areas such as employment law, the family, housing, health, education, and care provision, people were assisted in the teeth of unreasonable employers, grasping landlords, or intransigent bureaucracy.

But as capitalism stumbled from crisis to crisis, from Thatcher to Blair to Brown, and from industrial production to finance capital, regressive ideas of "the market" and "consumer choice" replaced those of the collective. In 1999 Labour's Access to Justice Act replaced the 1949 Act and opened the way to privatisation.

It is estimated that up to 30 per cent of the population in Britain need access to legal aid at one time or another in their lives. The only exclusions today are libel cases, personal injury (subject to conditional fee agreements), and running a business.

Legal aid remains more accessible than anywhere else in the world. It is a cornerstone of British society, saving lives, rescuing families from violence, debt, eviction, and repossession. Campaigners must remind themselves constantly of the causes of this current capitalist failure, and deal with the banks. Otherwise there will be no justice for all – simply a skeleton service for the most abject cases, as in the 19th century.

PFI Paying the price

THE 544 PFIs (Private Finance Initiatives) agreed under Labour will cost every working family an average of nearly £15,000 by the time the deals run out in – wait for it – 2047/48, even though the original building costs stand at just over £3,000 per family.

The figures were revealed at the end of last year in an article in the DAILY TELEGRAPH, and are based on research by, of all people, the Conservative Party.

The PFI schemes involved private companies taking on the upfront capital costs of projects such as hospitals or motorways in return for substantial payments over long periods of time. So a nice little earner all round is foisted onto the national infrastructure re-development that combined prolonged, inflated subsidy of private companies with the burden of protracted debt repayments. Capitalism must take us for mugs.

USA Income gap widens

SOCIAL INEQUALITIES are escalating in the USA. US retail chain store data for December reveal that luxury outlets saw an 8.1 per cent rise in sales from the previous year: discount stores catering to America's poorer people rose just 1.2 per cent.

The number of people on food stamps (worth £90 a month) has reached 43.2 million, 14 per cent of the population. Visits to soup kitchens are up 24 per cent. The employment rate for working-age men over 20 dropped to 73.6 per cent, the lowest since the data series began in 1948.

If you have news from your industry, trade or profession we want to hear from you. Call us on 020 8801 9543 or email to rebuilding@workers.org.uk

EUROBRIEFS

The latest from Brussels

Cuts for us, not for them

THE EU IS trying to exploit economic hardship to curb the powers of national governments and to create a new pan-European political structure. Hundreds of billions have already been slashed from EU member-state budgets in the wake of the crisis. Yet the European Commission is demanding still more cuts. Meanwhile, in December, the EU spent 3 million euros on an "anti-poverty development conference", which included a fashion show, a "Fight Poverty" awards ceremony and a "Music against Poverty" photo contest. It ended with an expensive cocktail party for all 6,000 delegates.

MEPs pay continues to grow. Their tax-free allowances rose by 2.3 per cent to £90,876; proof of expenditure not required. Their salary is up by 2 per cent to £80,829.

Another brick in the euro wall

THE FRENCH government wants to create an "EU treasury". It would initially comprise France and Germany and other eurozone states with "sound public finances". French Prime Minister François Fillon said "a monetary zone needs close budgetary surveillance, but also – and this is indeed what has been missing since the beginning – a minimum of convergence in the fiscal domain, and even in the social domain."

Fillon also said Britain would suffer "catastrophe and a disaster" if the euro went under. A Downing Street spokesman agreed, "Stability of the euro is in Britain's national interest."

One law to bind us all

BY 2014 the British government must decide whether EU police, crime and immigration laws agreed before the Lisbon Treaty entered into force in 2009 continue to apply here. These include the controversial European Arrest Warrant.

Britain will have a choice in 2014 between more or less EU control over our legal system. If the government opts out of one of these laws, it has to opt out of all of them. And if it stays in, EU judges will for the first time have the final say over these laws. But the government's current EU Bill does not include this choice, leaving the decision to ministers.



British Airways cabin crew have voted overwhelmingly to strike against the withdrawal of benefits and changes to terms and conditions. It is the fourth time in 13 months that the cabin crew have voted for action. The union notes that the turnout and the majority on this occasion are much greater than in the last ballot. Above: demonstrating last year during a strike day.

Photo: Andrew Wiard/www.reportphotos.com

The EU's fees freeloaders

IN THE LAST full academic year, some 64,255 students from other EU countries enrolled at higher education institutions in England and Wales. Annual government funding of university teaching averages £4,000 per student, so England and Wales spent £256 million last year to subsidise university education here in Britain for students from other EU member states. And even more money could go to European students under government plans to extend state funding for poor students at English universities to all EU citizens: any proposed discounts or fee waivers when the new higher fees come in would have to be open to EU students on an equal basis.

EU laws require the Scottish government to pay for EU students taking courses at its universities. The cost of their tuition fees and teaching subsidy has quadrupled in 10 years to £75 million a year.

Unlike students from England, Scottish students do not pay tuition fees. Instead Scotland's government – funded with a block grant out of general British taxation – pays the money to the universities for them, £1,820 per student per year.

Students from the rest of Britain who attend Scottish universities have to pay Westminster-set tuition fees of more than £3,000 a year, but those from other EU countries have the same benefits as Scottish students. The number of EU students at Scottish universities has soared by 94 per cent since 2000-01, to 15,930 last year.

PRINTING

De La Rue a target

DE LA RUE prints Britain's currency as well as the Royal Mail's stamps, British passports, driving licenses, credit cards and banknotes for over 150 countries across the globe. It employs nearly 4,000 highly skilled workers in one of the most lucrative areas of British manufacturing industry. The nearly 200-year-old company is now under siege from private equity companies and the French-owned company Oberthur, which has launched an opportunistic takeover bid.

The union Unite is campaigning to stop

the takeover. The deal would follow on a long line of British companies – Cadbury, BAA, P&O, Abbey National, Corus, Scottish and Newcastle – taken over, asset stripped, their production in Britain closed and ill-gotten gains and control shipped abroad in recent years.

Previous attempts to take over De La Rue have been blocked on grounds of being against the national interest. Will the Coalition dare stand up to the private equity bankers? Will Britain's currency and stamps soon be rolling off French printing presses? Defending De La Rue is part of defending Britain's sovereignty. British banknotes, stamps and passports must be made in Britain.

Libraries fight for a future

DETERMINED CAMPAIGNING by library workers and library users is showing that our public library system has a future, in spite of cuts and closures on a scale never seen before. Campaigning began late last year in many local authorities where public library services are threatened. Every part of Britain is affected, from the allegedly affluent counties to towns and cities. Nearly 400 branches are to close across the country. Thus Doncaster proposes to close 14 libraries, Suffolk, the advance guard of the Big Society, to close 29 of their branches. In North Yorkshire 24 out of 53 will shut, in Lewisham 5, in Gloucestershire up to 18, and 6 mobile libraries will also disappear. In Cambridgeshire 19 will close and in Dorset up to 20 out of a total of 34.

Many authorities are also considering handing libraries over to volunteers to run, a solution that library workers warn will be unsustainable. Others are considering privatisation. But in Hounslow, where the services were handed over to John Laing two years ago, the new operators now intend to close up to 15 of the 17 libraries in the London borough. In the wings waits LSSI, an American company that is the fifth biggest provider of public libraries in the USA. LSSI's Chief Executive was quoted last year as saying, "You can go to a library for 35 years and never have to do anything and then have your retirement. We're not running our company that way. You come to us, you're going to have to work." What he means is reducing staff and getting rid of unions.

Even more Byzantine solutions are proposed, including transferring libraries to private trusts. The Mayor of London has suggested that those libraries in London that individual councils want to cut could be transferred to Team London, a shadowy trust that is supposed to run the mayor's volunteering and mentoring work.



The government hides behind excuses that library provision is the responsibility of local authorities, but one of the chief vehicles for their assault on the service is the so-called Future Libraries Programme. The Programme is in fact an express journey to the past, to the time before the 1850 Public Libraries Act made it possible for local authorities to make collective public provision. That Act gave people the cultural and educational opportunities offered by the documentary record of human knowledge and creativity.

Read-ins are being organised at a number of threatened libraries across the country on 5 February. Demonstrations outside and inside council meetings have shaken councillors who thought that in libraries they had picked a soft target; but library workers, users, publishers and booksellers are campaigning in a way never seen before.

WHAT'S ON

Coming soon

MARCH

Thursday 3 March

"Health – A front line in the fight for Britain"

7.30pm, Conway Hall, Red Lion Square, London WC1R 4RL.

Are we going to allow MPs to vote through the legislation which formally consents to the destruction of the NHS? Public meeting organised by the CPBML. All welcome.

Saturday 26 March

"March for the Alternative: Jobs, Growth, Justice"

London, details to be announced

It's not too early to begin mobilising for the national demonstration called by the TUC for March. For more information as the event firms up, look for updates on www.tuc.org.uk/events.

ACCOUNTING

Flawed standards

THE HOUSE of Lords Economic Affairs Committee has concluded that the International Financial Reporting Standards (IFRS), introduced into British accountancy practice by EU edict, are flawed. Criticised at the time by the Society of Statisticians as being dangerous, Gordon Brown insisted on their implementation. The committee took evidence from heavyweight capitalist institutional investors and concluded that these rules allowed banks to hide risks, to pay bonuses on "imprudent" calculations, and to hide bad loans. In other words bankers' bonuses in certain instances were based on mistakes or possibly fraudulent practice.

One expert witness called for "the re-introduction of a more principle-based accountancy system" and said the IFRS rules encouraged people to go round them. Another expert witness described the IFRS as a "regulatory fiasco".

EMPLOYMENT

No work for the young

UNEMPLOYMENT rose to 2.5 million in January, with 20.3 per cent of 16- to 24-year-olds out of work. The number in employment not born in Britain rose to 3.866 million. A record 593,000 from Eastern Europe now officially work here.

There is no pensions crisis in Britain – other than the consequent industries made by successive governments...

The pensions scam: the excuses get more and more

ACCORDING TO the government we are living too long, so we'll have to give up our pensions. Its propaganda on longevity is becoming more shrill as workers begin to wake up to this particular pensions scam. WORKERS has consistently shown that the effects of longevity projections are being exaggerated and that men living on average to age 84 and women living on average to 87 is not the funding difficulty that it is made out to be.

This so-called pensions problem, like all other issues over funding, is actually about the collapse in industrial wealth creation that has occurred in Britain over the past 30 years. The Tory, Labour and Coalition policy of exporting our factories, while importing credit so as to try to camouflage falling living standards, has failed in its political objective of destroying the organised working class. In now recognising this position the government and its apologists are becoming more bizarre in their future projections.

For example, many of us would have heard the news item at the beginning of the New Year about government figures claiming that 10 million Britons alive today will live to be more than 100 years

old. This choreographed news item was accompanied by comments from the pensions minister claiming that this is one of the reasons why the government is rolling out its National Employment Savings Trust (NEST) initiative. NEST will begin to make it compulsory from 2012 for all employers to contribute all of 1 per cent of each worker's earnings between £7,500 and £33,000 annually into an authorised pension scheme.

Just cutting costs

When one considers that a current final salary pension scheme has an average long-term employer annual contribution of between 15 to 18 per cent of total payroll (not only on a limited range of earnings), the government's aim of closing final salary pensions and introducing NEST can be understood immediately – namely to reduce pensions costs for the benefit of employers and shareholders.

This is of course on top of the zero pay rises (effectively cuts) that have been invoked by many companies over the past two years at a time when the Retail Prices Index has been rising at between 4 per cent and 5 per cent a year. So with the closure of Final Salary

pensions along with frozen pay, the result for many has effectively been a wage cut over two years of around 24 per cent (i.e., 18 per cent pension contribution plus 8 per cent in retail price inflation) going into 2011 and counting.

As to the claim that 10 million of us alive today will attain age 100 – in 1981 there were roughly 2000 people in Britain who were aged 100 and at the start of 2011 there are 18,000. So by projecting forward we still have some way to go before we reach 10 million Britons aged 100 – unless of course there are huge numbers secretly hiding ready to leap out and join us now.

Later this month we have the former Labour minister Lord Hutton looking to proudly announce on behalf of the Coalition, that by having concocted a lower pensions actuarial discount factor – in plain English, by lowering the factor by which future cash flow is multiplied in order to arrive at its current value – he has miraculously managed to further inflate the pensions deficit in the public sector (despite last-minute warnings that Hutton's exaggerations may scare markets, causing intentions to backfire). His claim is that the current official figures underestimate the size of



CPBML/Workers Public Meeting, London

Thursday 3 March, 7.30 pm

Health – A front line in the fight for Britain

Bertrand Russell Room, Conway Hall, 25 Red Lion
Square, London WC1R 4RL. Nearest tube Holborn.

Are we going to allow MPs to vote through the legislation which formally consents to the destruction of the NHS? Only people who are willingly blocking their ears can fail to understand the fundamental nature of this attack on the health service. Everybody welcome.

Prices of the last 30-year or more attack on workers and our

and more bizarre

the pensions deficit because they assume very high rates of interest will be earned on investments.

Every half per cent reduction in the actuarial discount factor increases the pension contribution by about 3 per cent or around £4 billion a year. Apart from plenty of mock concern, this particular trick from Hutton not only involves inflating longevity figures but also implies that the current artificially low rates of interest will last over the working lifetime of Britain's current workforce, say 45 years hence.

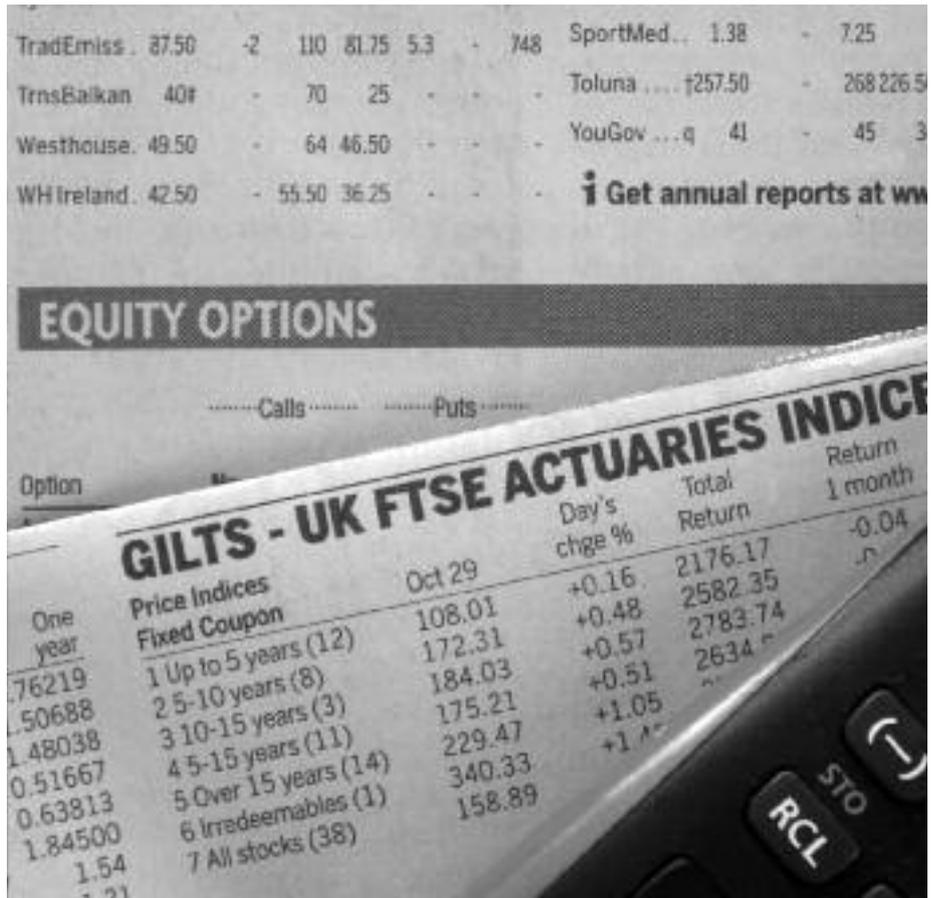
It's yet another example of straight line projected nonsense from a bunch of popinjays who can barely see much further than next week, let alone see a future for Britain, and are certainly clueless on where real rates of return will be in 5 years' time, let alone in 45 years.

There is no pensions crisis in Britain – other than the consequences of the last 30-year or more attack on workers and our industries made by successive governments. They hate the notion of good pensions provision based on collective inter-generational funding, which at present is a method that would be very easy to restore.

Wealth not debt

That is especially so if we use the current £1,400 billion of pensions assets and savings to build up our industrial base to generate wealth, instead of what is currently planned by the government for our assets to be used as cover when international finance dumps its gilt holdings, i.e. the government's own debt.

In fact what is happening is that foreign investors are already quietly selling British gilts at the top of the market and so obtaining the best possible prices by selling to British banks, who at the government's behest are buying to shore up gilt prices. Effectively, there is a falling demand to buy and service British government debt and so the government's plan through "regulatory prudence" is to create a captive British domestic market that will be forced to buy gilts.



The government's Pensions Regulator has powers already in place to fine pension funds if they do not buy and hold gilts. The European Union's new solvency arrangements (Solvency 2) sponsored by British quislings seek to make this requirement even more onerous.

In creating this enforced domestic market the idea is for our pension fund assets to be used as a debt transference mechanism – eventually resulting in a massive loss in our pensions capital value, whilst allowing foreign investors to disinvest from gilts and make off with their capital proceeds on the best possible terms and currency rates. Our funds are then set to go on to provide a source of future government funding by buying government debt that nobody else wants to service. In this respect it is

also important to recall that last year the Bank of England bought £200 billion of gilts through "quantitative easing". It is also currently looking to dump this useless debt on to us at the first available opportunity.

The other aspect about gilts is that when demand falls, causing yields to rise, this has the effect of not only increasing the government's debt interest payments but also becomes a key mechanism in determining the retail rates of interest. So everything we hear about the Bank of England monetary committee setting interest rates is a complete nonsense. It is market movements over time covering 6-month to 10-year treasury stock that help to determine interest rates, £200 billion of Bank of England quantitative easing notwithstanding.

Reg Birch:

engineer, trade unionist, communist

**AVAILABLE NOW, £10 (inc p&p)
308pp, ISBN 0-947967-33-8**

Engineer, trade unionist, communist, steeped in the industrial battleground of Park Royal, the largest concentration of engineering workers in the country — for half a century Reg Birch led the struggles of the industrial working class and founded Britain's first genuine Communist Party.

This is a story to provoke reflection about the tactics and strategy of struggle, about working-class morality, about the place of communism in a modern Britain — and about the very future of our nation.

**PUBLISHED BY BELLMAN BOOKS
78 Seymour Avenue, London N17 9EB
020 8801 9543**

Will Podmore

The combination of EU competition law and one small paragraph in the government's health bill will open up the NHS to private competition...

Vultures and vandals: the EU and the NHS

THERE ARE certain patterns of behaviour that we have come to expect from British governments.

Firstly, tell the electorate you are planning to do something and then do the exact opposite. In the case of the health service, Cameron told the Royal College of Nursing (RCN) congress in April 2010 that he would "stop the top down reorganisations of the NHS". Now the government is undertaking a fundamental attack on the NHS. To call it a reform would be a misnomer, vandalism would be a more appropriate description.

The second pattern: choose a fall guy. In the case of the tuition fees the opprobrium fell on Nick Clegg and the Lib Dems. In the case of the NHS, Cameron has chosen your trusted GP to be the fall guy. On the surface of things he will be transferring the £80 billion budget for health care to GPs. However, cunningly disguised in the same legislation are measures which will make it impossible for GPs to maintain those contracts within the NHS. Cameron hopes that we will blame them and not him for privatisation of the NHS.

The third pattern, and one we have already witnessed with tuition fees, is this: make sure key decisions are set in train before you bring your plans in front of parliament. In the case of health the government has already set up 52 "pathfinder" GP consortiums. Supposedly these consortiums are "closer to the patient" but a survey by PULSE (a GP practice magazine) has found that 6 out of 10 are already in discussion with private companies to run the process. And that was before the Bill was put before parliament.

Even more fundamental to the attack is the use of EU competition law. This is how the attack works. Hidden away in the documentation accompanying the Health Bill is what in the history books will become the famous paragraph 5.43. Paragraph 5.43 says: "One new flexibility being introduced in 2011-12 is the opportunity for providers to offer services to commissioners at less than the published mandatory tariff price where both commissioner and provider agree."



There follows a laughable sentence which reads: "Commissioners will want to be sure that there is no detrimental impact on quality, choice or competition as a result of any such agreement."

This one paragraph opens up the NHS to any private company who wants to undercut the NHS by offering temporary loss leaders just like the big supermarkets destroying your high street with their loss leaders. And this is where the EU comes in. For the first time the NHS will be subject to EU competition law. The government has taken a regulatory body originally set up under Labour, called Monitor, and has refashioned it and made its primary task "to promote competition".

Here come the lawyers

This means that even if your local GP consortium wanted to keep its contract with the local hospital, it could be challenged in court by any private company claiming the right to outbid. Again, as with the big supermarkets, there will be no shortage of vulture private companies and lawyers ready to take a test case.

The writing on the wall could not be clearer. Every health trade union, every Royal College, including the Royal College of General Practitioners, the NHS Confederation which represents health service employers, and patient organisations, have said that this health bill spells the end of the NHS. For 62 years the NHS has provided a service which, relative to the money spent, has provided

an excellent service.

The fourth pattern we have seen in the Cameron government is that when the opposition is evidence based and overwhelming they shout even louder "there is no alternative".

But there is no shortage of alternative plans being suggested. Not surprisingly the main emphasis in the alternatives is along the lines of conserving the aspects of the system which work and improving those areas that NHS staff feel could be improved. The Government loves to say that NHS staff resist change but it's obvious to anyone that NHS staff have changed dramatically in 62 years. For example just think how the "scoop and drop" ambulance staff of 60 years ago have evolved into the paramedics of today.

The chairman of the Royal College of GPs has told the government that all they need to do to improve quality is to change the composition of the Primary Care Trust boards rather than abolishing them. With reference to the Boards she stated on 17 January: "You would probably want a majority of clinicians (on the board), mostly GPs but other NHS staff too. It is not too late to change."

On the tuition fees vote the government majority was very slim. Are we going to allow MPs to vote through the legislation which formally consents to the destruction of the NHS? Only people who are willingly blocking their ears can fail to understand the fundamental nature of this attack on the health service.

The chaos being wrought by this government – the latest in a line of bitter hatred against the working class. Survival will require workers to

What Britain needs to survive: a new, second

WHAT IS happening in Britain today is not some aberration or accidental combination of circumstances having an unfortunate conclusion – the deficit.

It is the culmination of a ruling class and employers' offensive against workers – organised and disorganised – over nearly 40 years, though obviously with its roots in British history dating back through centuries of class struggle.

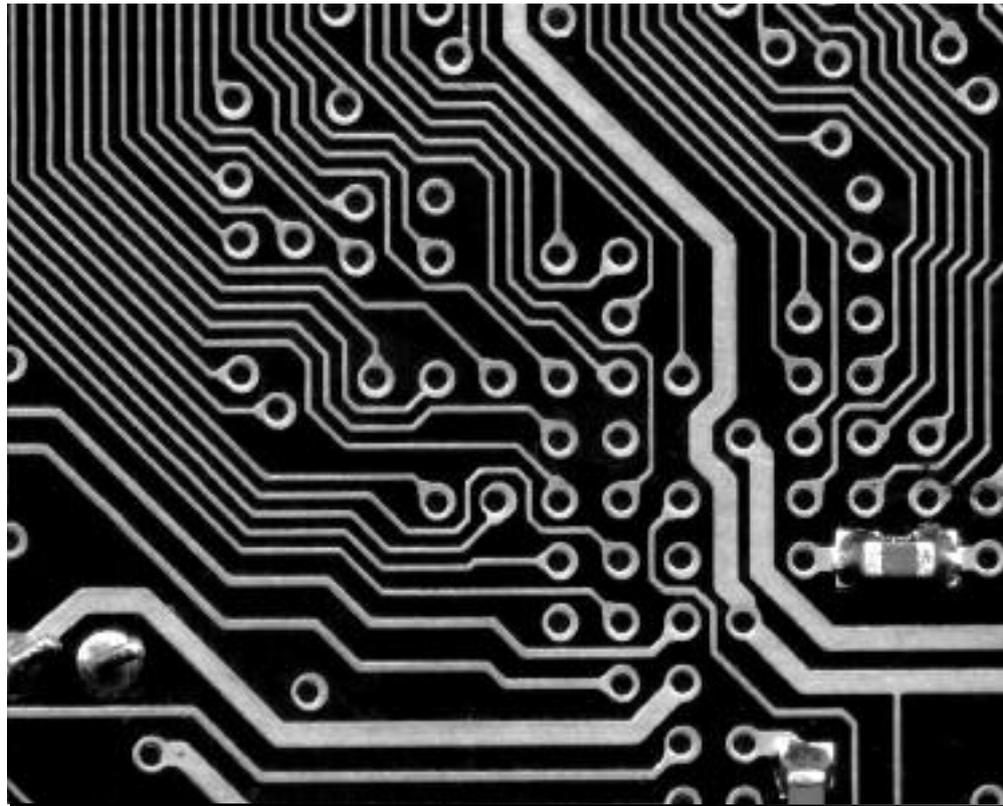
This is the historic context: in 1970 Edward Heath, Tory Prime Minister, free marketeer, collaborator, quisling and pro-European Union yes-man, was promoting industrial reform, welfare reform, and social reform, to all aspects of British society. The word "reform" means its opposite. Not reform but reaction, not progress but an attempt to turn the clock backwards, epitomised by Heath's concept of the "corporate state" – which was the fascist Mussolini model. Heath was the man who boasted that Britain's "lame duck" industries – effectively all nationalised industry, including rail, steel, coal, utilities, communications etc – had to stand or fall according to the rules of the market. No more state support but to live and die by the sword of the market.

Resistance

Organised industrial workers rose to resist, primarily the engineering union but with factory occupations (e.g. Upper Clyde Shipbuilders) across the country. The miners struck over wages. It had taken them nearly 50 years to recover from the 1926 General Strike defeat. The Industrial Relations Act was destroyed; immense battles were fought around wages and the right to work. We met their challenge head on and scattered them. There is much more in that period 1970-74 but you need to read the history books.

Capitalism's response to such a stunning defeat – though don't forget

This article is a shortened version of a speech delivered at a public meeting in Conway Hall on 16 November 2010, organised by the CPBML



Electronic share transactions move wealth around the globe at the flick of a switch. But even then

our total failure as a class to then capitalise on that victory – gave us a Labour government from 1974 to 79. The prime role of that government was essentially to give capitalism a respite, a chance to recover and plan its next offensive.

That came in 1979 with Thatcher. Back to the original agenda of Heath – free market economics rampant. There was the Ridley plan, written in 1977, designed to break the industrial organisation of trade unionism in Britain by systematically fragmenting industry, permitting massive imports to undermine our manufacturing base, more integration with the EU, mass unemployment, back to the 1930s with a vengeance, introduce the most draconian anti-union legislation in Europe.

That government aimed to divide, weaken and undermine the trade union base, and from 12 million+ strong we

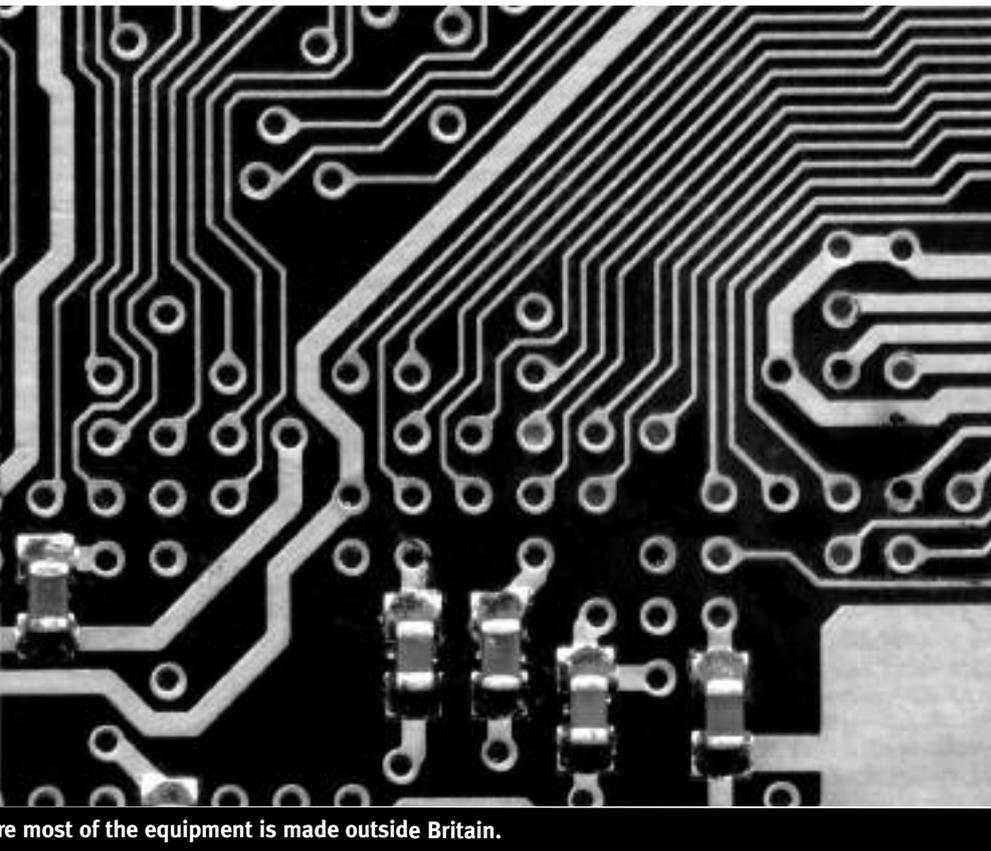
have plummeted to the 6.5 million of today. Throughout the Thatcher-Major years we saw ever-growing surveillance and the police state.

Again, that period 1979 to 1997 saw immense industrial battles, but by the end of it whole industries had been destroyed, truncated, emasculated into a mere shadow of themselves – coal shut, steel closed, textiles devastated, engineering gutted, printing almost non-existent, the Port of London docks closed. Over 1 million skilled industrial jobs were destroyed forever; privatisation became the watchword for the disposing of the nation's family silver; destruction of social housing, greed and corruption unfettered, the list is endless.

The traditional industrial communities were destroyed, to be replaced with a ghetto-mentality, drugs and worklessness – a snide term

ne of destructive governments – has its roots in centuries of
 rkers to develop their own strategy for Britain...

nd industrial revolution



re most of the equipment is made outside Britain.

meaning hopelessness.

Then the Blair–Brown years of 1997 to 2010, a government more committed to finance capital than any previous. The belief that wealth can be created not by making commodities for exchange and trade but on moving electronic share transactions and banking transfers around the globe is epitomised in that aberration of Canary Wharf in London. Having engineered the banking crisis, they still keep the bonuses of bankers in tens of billions.

Remember the first act of the Thatcher government was to abolish foreign exchange controls allowing capital to flood out of the country? Well, the first act of the Brown-Blair government was to separate the Bank of England from state control, ensuring that the banks were released to commit whatever havoc, wherever and whenever they liked anywhere in the world, finance

capitalism effectively rampant without any nation-state root.

The result was that the government oversaw the greatest destruction of manufacturing jobs and industry since and including the Thatcher years. And during this period trade union density in the private sector plummeted to 15 per cent; trade union aspirations or ideas of social progress evaporated in supposed equalities agendas wrapped in litigation and do-gooding, in rubbing shoulders with government lobbyists and sponsoring endless think tanks delivering nothing.

Indistinguishable

In 2009 the CPBML held a meeting in London entitled “Stopping the Parliamentary Road to Fascism”. We were quite clear that the threat to Britain’s labour movement arose simply from the commonality of politics of all

parliamentary parties, the indistinguishable policies, the deep institutionalised corruption. As Lenin described it, “a widely ramified, systematically managed, well-equipped system of flattery, lies, fraud, juggling with fashionable and popular catchwords...the more highly democracy is developed the more bourgeois parliaments are subjected to the stock exchange and the bankers”.

We warned that the assault on the working class would come through parliamentary parties perverting and misusing power and language: they all speak of freedom; they all speak of democracy; they all speak of reform. This is the language and actions of thieves, murderers, charlatans and criminals.

And so we arrive at the Coalition, the Tory Party and the Liberal Democrats. And back we go to 1970 and the free market again. What are the rules of the game? They are quite simple: the market without any restriction or hindrance must be allowed full freedom of operation. Hence all these freedoms: freedom of choice, freedom of movement of capital, freedom of movement of labour, freedom of trade, etc – all really freedom to crucify workers.

We as a working class grew out of the first industrial revolution the world has seen. What we have taken for granted over several hundred years – our industries, our skills, our inventiveness, our creativity, our common language, territory, culture and unique character all face obliteration unless we stop these ideologues of the market.

How can we survive? What weapons do we have in this struggle?

We have over 250 years of organising and ingenuity in how we organise in the place of work. The guerrilla maxim: strategically one against ten but tactically 10 against one was never truer. We bring unity, organisation, self-discipline and clarity of understanding. But we have to understand the changed industrial landscape of Britain – see the

Continued on page 12

Continued from page 11

article in the November 2010 issue of WORKERS on the need for a national plan. Start to plan accordingly.

We need to update and modernise our thinking about industry, about manufacturing, about real wealth creation, about what we want that wealth creation to provide and for whom. We have to set a different agenda from all that is around us.

The enemy

We are dealing with a rapacious ruling class, an enemy with a road map and clear intent; Cameron and Clegg's boast of changing Britain forever cannot be ignored. This is the part of the counter-revolution and is about destroying us as the working class in our entirety, about destroying us as an organised force of resistance.

We therefore need to identify what our strategic industries are and what we want. And what control we have over them. A nation which doesn't own its

own ports, or airports, or shipping, or steel industry etc, has no sovereignty and no future.

Everything the Coalition, International Monetary Fund, World Bank, World Trade Organisation, European Union etc, clamours for, we should oppose.

We want, we need a new industrial revolution –

- make it in Britain,
- grow it in Britain,
- educate in Britain,
- re-skill in Britain,
- rebuild Britain,
- invent it in Britain,
- plan it in Britain,
- plan it for Britain

– because these are all the things that make us strong, and the things they must therefore destroy, fragment, obliterate.

- We are for the accumulation of surplus value; profit in their terms, but not for them but us for the people of Britain.

- We are for every control that takes surplus value away from the capitalist and stops exploitation.

- We are for absolute control of all industry and public sector provision as we, the working class, see fit.

- We are a nation of workers not benefit recipients, a socialist Britain has to be a working Britain not welfare Britain.

- We are for import controls and sovereignty over these islands.

- We are for redefining the word freedom to mean freedom for workers.

We are for a planned economy to build Britain and the future – we are not for anarchy. Freedom for workers creates respect, wellbeing, education, housing, employment, health, sovereignty and peace.

Debate

So a new, second, industrial revolution and the debate on these plans has to commence, for a new Britain, our Britain:

- Define what we are, what we want, what we need.

- Reappraise our strategic industries.

- Reappraise our social and civil society requirements – health, education, housing, employment, national identity etc.

- Reappraise the European Union and work with all the peoples of Europe to shatter it.

- Survival – batten down the hatches to survive – for the class and for Britain in the face of the latest tidal wave of reaction.

- Recognise and capture the hopes and aspirations of workers that only through a new industrial revolution can workers in Britain survive.

- Recognise that survival means power.

- Remember the employers' agenda: greed, exploitation, low wages, long hours, no regulation, degradation, no taxation, no employment rights, no trade unions, maximising of profit – anytime, anywhere, at every opportunity: nothing new then!

We need a different agenda. Industry provides the mechanism to deliver a future for workers and for Britain.

Meet the Party

The Communist Party of Britain's new series of public meetings in London began in the autumn and continues into spring 2011. Except on May Day, all meetings are held in the Bertrand Russell room, Conway Hall, Red Lion Square, Holborn, London WC1R 4RL, nearest Tube Holborn.

M The next meeting dates will be: Thursday 3 March 2011 (on the NHS), 7.30pm; and Thursday 23 June 2011 (theme to be announced nearer the date), 7.30pm. Interspersed with these public meetings, the Party runs regular political study and discussion groups for interested workers.

M The Party's annual London May Day meeting will be held on Sunday 1 May 2011, in the Main Hall, Conway Hall, Red Lion Square, Holborn, London WC1R 4RL, nearest Tube Holborn, 2.00pm start with speakers, food, bar and interesting political discussion.

M As well as our regular public meetings we hold informal discussions with interested workers and study sessions for those who want to take the discussion further. If you are interested we want to hear from you. Call us on 020 8801 9543 or e-mail to info@workers.org.uk



In 1864 delegates from across Europe met to create an international workers' movement...

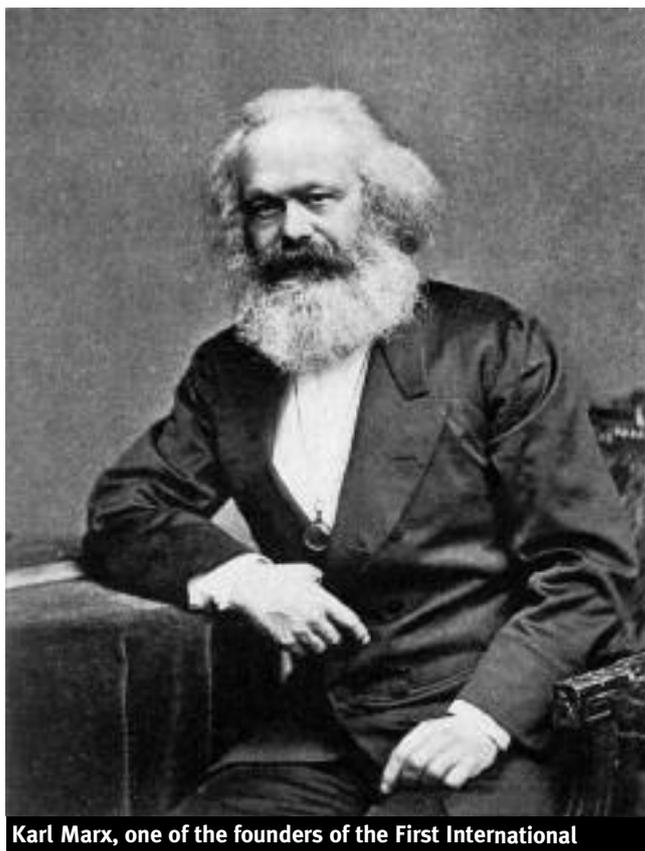
1863: The First International

IN THE second half of the nineteenth century, the International Workingmen's Association (IWA) – sometimes called The First International – united a variety of different political groups and trade union organisations to further the prospects of the working class, initially across Europe, then America. It is probably the best (or only) example of genuine international working class cooperation organised by the workers themselves and guided by a revolutionary socialist outlook that world history has yet produced, and it has relevance for us today, particularly because of the key role English trade unionists played in it.

Following the widespread Revolutions of 1848, a period of harsh reaction had set in over Europe, before the next major upswing of activity arose, presaged by the founding of the IWA in 1864. The great change came in July 1863, when at a historic meeting held in London at St. James' Hall, French and British workers discussed developing a closer working relationship and declared the need for an international organisation. This was not only to prevent the import of foreign workers to break strikes, but also to forge continuing economic and political cooperation, invite representatives of other continental nations to join them and work to end the prevailing economic system, replacing it with some form of collective ownership.

Unanimous

In September 1864, a meeting took place in St. Martin's Hall, with Britons, Germans, French, Poles and Italians represented in large numbers, which unanimously decided to found an international organisation of workers. Among others, George Odger (Secretary, London General Trades Council) read a speech calling for international co-



Karl Marx, one of the founders of the First International

operation. Karl Marx sensed the importance of this gathering and joined it, participating as a representative of German artisans residing in London. The gathering heralded a new era in the workers' movement.

In October, a General Council – with additional coopted national representatives – was formed, meeting weekly at 18 Greek Street. Most of the British council members were trade union leaders. On the initial Council were tailors, carpenters, weavers, shoemakers, furniture makers, watchmakers, instrument makers and a hairdresser. Marx attended regularly, becoming a constant leading figure and one of the few to be regularly elected over many years, only relinquishing his position in 1872.

Difficulties arose immediately and the new organisation could easily have foundered, but Marx played a vital role in ensuring the International remained true

to its founding purpose. Mazzini's Italian delegates proposed a political programme that was against class struggle and drew up very centralised rules, fit only for a secret political society. This approach would have hamstrung the very basis of an international workers' association, conceived not to create a movement but only to unite and weld together already existing and dispersed class movements in various countries. So instead Marx set about writing his rallying ADDRESS TO THE WORKING CLASSES and wrote a simplified set of rules, which were adopted.

Trade union basis

The IWA was established essentially on the basis of trade unions in a number of nations, together with a motley crew of diverse political groups with differing philosophies (including Mutualists, Blanquists, Proudhonists, English Owenites, Italian republicans, anarchists, radical democrats, and other

socialists of various hues). However, over its short life, at the prompting of Marx and supported by English trade unionists, it grew into a powerful movement that coordinated support for major class actions and inspired genuine fear in the defenders of the bourgeois status quo. Many national local federations developed strong working class bases and movements. At its peak, the IWA is estimated to have had between 5 to 8 million members.

For nigh on ten years Marx provided leadership and devoted a major part of his energies to the affairs of the International, ensuring it pursued a class direction. Only the publication of DAS KAPITAL in 1867 competed for his attention. Throughout he strove to fashion what had started as a loose alliance with divergent ideologies into a united class movement

Continued on page 14

Continued from page 13

informed by revolutionary, class-based ideology. To such good effect that the “Spectre of Communism” Marx had seen haunting Europe in his and Frederick Engels’ 1848 COMMUNIST MANIFESTO seemed much more real to the capitalist establishment of the late 1860s than it had 20 years earlier. As political and organisational head of the International and author of the book that sought to lay bare “the economic law of motion of modern society”, Marx finally seemed close to achieving the union of socialist theory and revolutionary practice that he had always aimed for.

By the time the Geneva Congress (1866) convened, the Association could already claim credit for having successfully counteracted the intrigues of capitalists who were always ready to misuse the foreign worker as a tool against the native worker in the event of strikes. One of its great purposes was “to make the workmen of different countries not only feel but act as brethren and comrades in the army of emancipation”. This Congress’s most significant decision was the adoption of the 8-hour working day as one of the Association’s fundamental demands, “a preliminary condition, without which all further attempts at improvement and emancipation are bound to founder”, which had an immediate impact in America.

Solidarity

Nowhere did the Association initiate any strikes, confining itself merely to intervening where the character of the local conflicts required supportive measures and solidarity. The International intervened significantly in several important cases.

For instance, where previously the standard threat of British/English capitalists when their workmen would not tamely submit to their arbitrary dictation had been to supplant them by an importation of foreigners, the General

Council often frustrated the plans of the capitalists. When a strike or a lock-out occurred concerning any of the affiliated trades, the continental correspondents of the Association were instructed to warn the workmen in their respective localities not to enter into any engagements with the agents of the capitalists of the place where the dispute was. Consequently, the manoeuvres of the English capitalists were frustrated during the strikes and lock-outs of railway excavators, conductors and engine drivers, zinc workers, wire-workers, wood-cutters, and so on. In a few cases, such as the strike of the London basket-makers, the capitalists had secretly smuggled in labourers from Belgium and Holland. But after an appeal from the General Council, the Belgian and Dutch workers made common cause with the English workers.

French lock-out

Also in France, where trade unions had only just been legalised, the bronze-workers (a body of approximately 5,000 people) were the first to re-form a union in 1866. In February 1867, a coalition of 87 employers demanded of their workers that they resign from the union, which culminated in a lock-out of 1,500 bronze-workers.

With their union fund being depleted, the International organised loans from the English trades unions and support from other French unions, which enabled the workers to win. Moreover, in the spring of 1868 in Geneva, building workers (whose unions were strong supporters of the International) declared a strike of block-cutters, bricklayers, plasterers and house-painters. Strikebreakers from Ticino and Piedmont were won over to the side of the workers. The masters responded by closing down the workshops in those branches of the building trade that had not yet joined in the strike and slurred the International as a foreign plot.

A number of unions, which had previously stood aloof from the International, formed sections and asked for admission. Geneva’s jewellery trade workers (goldsmiths, watchmakers, bowl-



Paris, 1871: Communards about to destroy the Tuileries and militarism. This and other photographs were destroyed and executed for their part in this act.

makers and engravers) then offered material aid to the building workers. The International organised support across the continent and donations flowed in.

The masters’ plan of starving out the workers failed. An agreement was reached with the masters that conceded the workers a reduction of the working time by one, and in some cases, two hours, and a wage increase of 10 per cent. The conflict resulted in a mass adherence of workmen in Switzerland to the IWA. In Belgium, the International mobilised considerable support in 1867 for the coalminers of Charleroi in Belgium who faced wage reductions and lockouts.

Paris Commune

The Paris Commune of 1871 was the first instance of the working class achieving power for itself, running Paris for over two months. Marx rose to its defence in an eloquent address published under the title, *THE CIVIL WAR IN FRANCE*. But soon after



Our Vendôme in Paris, a symbol of imperial rule used to identify Communards who were seized

the Commune was drowned in blood, latent dissensions in the ranks of the International came to a head. The English trade unionists grew frightened, fearing association with the dramatic events in Paris; the French movement was shattered. To prevent anarchists grasping control of the IWA, the organisation was relocated to New York City in 1872, before it disbanded in 1876.

Despite the lean budgets of the General Council, all the governments of continental Europe took fright at “the powerful and formidable organisation of the International Workingmen’s Association, and the rapid development it had attained in a few years”, as the Spanish Foreign Minister of the day admitted. The IWA remains worthy of deep respect and further study. It was an authentic product of workers searching for ways to make progress; we should cherish its achievements and mimic its aim of practical cooperation.

TWO CLASSES IN BRITAIN

More from our series on aspects of Marxist thinking

In Britain, there are only two classes – those who sell their labour power and those who exploit the labour of others, in other words workers and capitalists. Over the course of many centuries, capitalism has simplified class antagonisms. And in this respect, Britain has travelled furthest simply because of its long, thoroughgoing experience of capital – with its first appearance on the land, then in commercial activities, latterly in industry and finance.

As far back as late medieval times following the onset of the Black Death, Britain’s peasantry was abolished and transformed into agricultural wage-labourers. Then in subsequent centuries the march of industrial and financial capital greatly expanded the ranks of the working class. In 1848 Marx and Engels presciently observed in *The Communist Manifesto* that “The bourgeoisie has stripped of its halo every occupation hitherto honoured and looked up to with reverent awe. It has converted the physician, the lawyer, the priest, the poet, the man of science, into its paid wage-labourers.” Now the vast majority of British people are workers who are selling their labour power, ranged against a tiny minority of capitalists who are exploiting the labour of others. We are many; they are few. And in the world beyond Britain, likewise there has been a massive, rapid growth of the proletariat during the last two hundred and fifty years. Essentially, the world is dividing into the two classes as well, with the peasantry dwindling.

Recognising which class you belong to helps you find your way through life’s problems. You understand your place in society, history and development. On the other hand, rejection of class encourages political confusion and fosters a headlong flight from reality.

Although there are only two classes in Britain, not everyone in the working class admits (or welcomes) their class position. Many cling to illusions and fantasies that they are middle class, or professionals or special individuals somehow outside the working class, though in truth there is scarcely a worker who is more than one wage-packet away from extreme destitution, a fact reinforced starkly by the recent economic depression and public service expenditure cuts. These illusions weaken people’s ability to collectively defend and organise. And why the reticence? Surely being a worker, either making or growing things, or providing services, is better than, say, being a banker (as distinct from a bank worker) producing nothing for the betterment of society.

In modern times, groups (colour, religion, gender etc) that are divisive and exclusive are elevated, whereas class, which is unifying and inclusive, is downgraded.

Class is fundamental to everything. Without clarity on it, we do not know who we are, nor can we easily fathom who are our friends or our enemies. In order to interpret and negotiate life confidently, you need to know who you are.

Interested in these ideas?

- Go along to meetings in your part of the country, or join in study to help push forward the thinking of our class. Get in touch to find out how to take part.
- Get a list of our publications by sending an A5 sae to the address below, or by email.
- Subscribe to *WORKERS*, our monthly magazine, by going to www.workers.org.uk or by sending £15 for a year’s issues (cheques payable to *WORKERS*) to the address below.

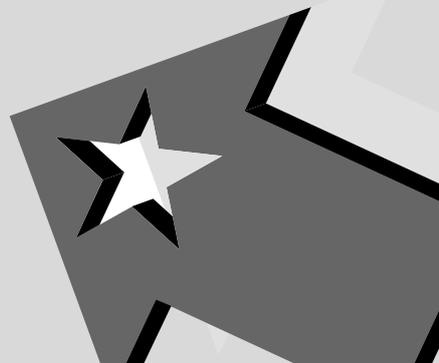
WORKERS

78 Seymour Avenue, London N17 9EB

email info@workers.org.uk

www.workers.org.uk

phone 020 8801 9543



Back to Front – Locust politics

‘One reason that the Coalition is moving with such haste is that, quite simply, it can. The path was already laid, the policies trialled, the laws ready.’

THERE IS a wanton savagery about the government’s attacks in so many areas, a recklessness that needs careful consideration. It is moving with unparalleled haste to undo much of the progress that the British people have managed to win over decades. Even right-wing Tories are muttering about “too far, too fast”. The challenge now for all thinking workers is to understand what is going on. How can this be happening? What can be done?

The first step must be to accept that the speed of proposed change would be impossible had the Labour government not laid the basis for it so impeccably.

The massive hikes in university fees could be pushed through without an Act of Parliament only because Labour, when it brought in, then raised, tuition fees, introduced a clause allowing future governments to change them by a simple administrative procedure. Academy schools were Labour’s idea.

GP consortia to replace Primary Care Trusts is not a Coalition concept. The idea was piloted by Labour, in Cumbria, with the aim of spreading it across the country. NHS Foundation trusts came from Labour.

Scratch a Coalition policy, and the chances are that you’ll uncover a thick thread leading back to the last government.

So one reason that the Coalition is moving with such haste is that, quite simply, it can. The path was already laid, the policies trialled, the laws ready.

That, though, does not explain the recklessness, the disregard for the very fabric of Britain. Leave aside the broken promises – consider what is behind their slash-and-burn cuts and reorganisations.

It all smacks of extreme short-termism of the kind shown so shamelessly by the capitalist class, especially but not

exclusively by our banks. And in its decline, capitalism in Britain has turned its back on production.

Finance capital is in charge in Britain, but it recognises no nation. It is happy to invest in commodities one day, move the money to bonds the next, to food the day after, from country to country, from industry to industry. Why waste money on maintaining a social infrastructure in Britain when there are plenty of other places to employ workers and make a profit?

Why support an NHS when you can make a few billion out of privatising it? Never mind that the health and therefore productivity of British workers will suffer. By the time that hits production, finance capital will have moved on elsewhere: it is locust economics, and it breeds locust politics. It will make a desert of Britain if unchallenged.

The only money finance capital wants is easy money. Quick profits are the only profits worth having. Slash, burn, strip the assets. And it has free rein. Thatcher removed controls on the export of capital. Brown removed control over the Bank of England. The European Union says that state support for industry is illegal.

In truth, then, our fight is not against cuts – though fought they must be – but a fight for the future of Britain. To win it, we must do more, much more, than mobilise “users of services”.

Politicians of left and right will not save us. They argue only about the pace of destruction. We must go back to the only organisations we can rely on, the unions created by the working class. They must be reinvigorated, reclaimed, and become the authentic voice of a Britain that wants to live in a civilised society and plan how it will work, and is prepared to fight for its country. We have nowhere else to go.

Subscriptions

Take a regular copy of WORKERS. The cost for a year’s issues (no issue in August) delivered direct to you every month, including postage, is £15.

Name

Address

Postcode

Cheques payable to “WORKERS”. Send along with completed subscriptions form (or photocopy) to WORKERS 78 Seymour Avenue, London N17 9EB

Publications

WHERE’S THE PARTY?

“If you have preconceived ideas of what a communist is, forget them and read this booklet. You may find yourself agreeing with our views.” Free of jargon and instructions on how to think, this entertaining and thought-provoking pamphlet is an ideal introduction to communist politics. (Send an A5 sae.)

BRITAIN AND THE EU

Refutes some of the main arguments in favour of Britain’s membership of the EU and proposes an independent future for our country. (50p plus an A5 sae.)

To order...

Copies of these pamphlets and a fuller list of material can be obtained from CPBML PUBLICATIONS, 78 Seymour Avenue, London N17 9EB. Prices include postage. Please make all cheques payable to “WORKERS”.

Workers on the Web

• Highlights from this and other issues of WORKERS can be found on our website, www.workers.org.uk, as well as information about the CPBML, its policies, and how to contact us.