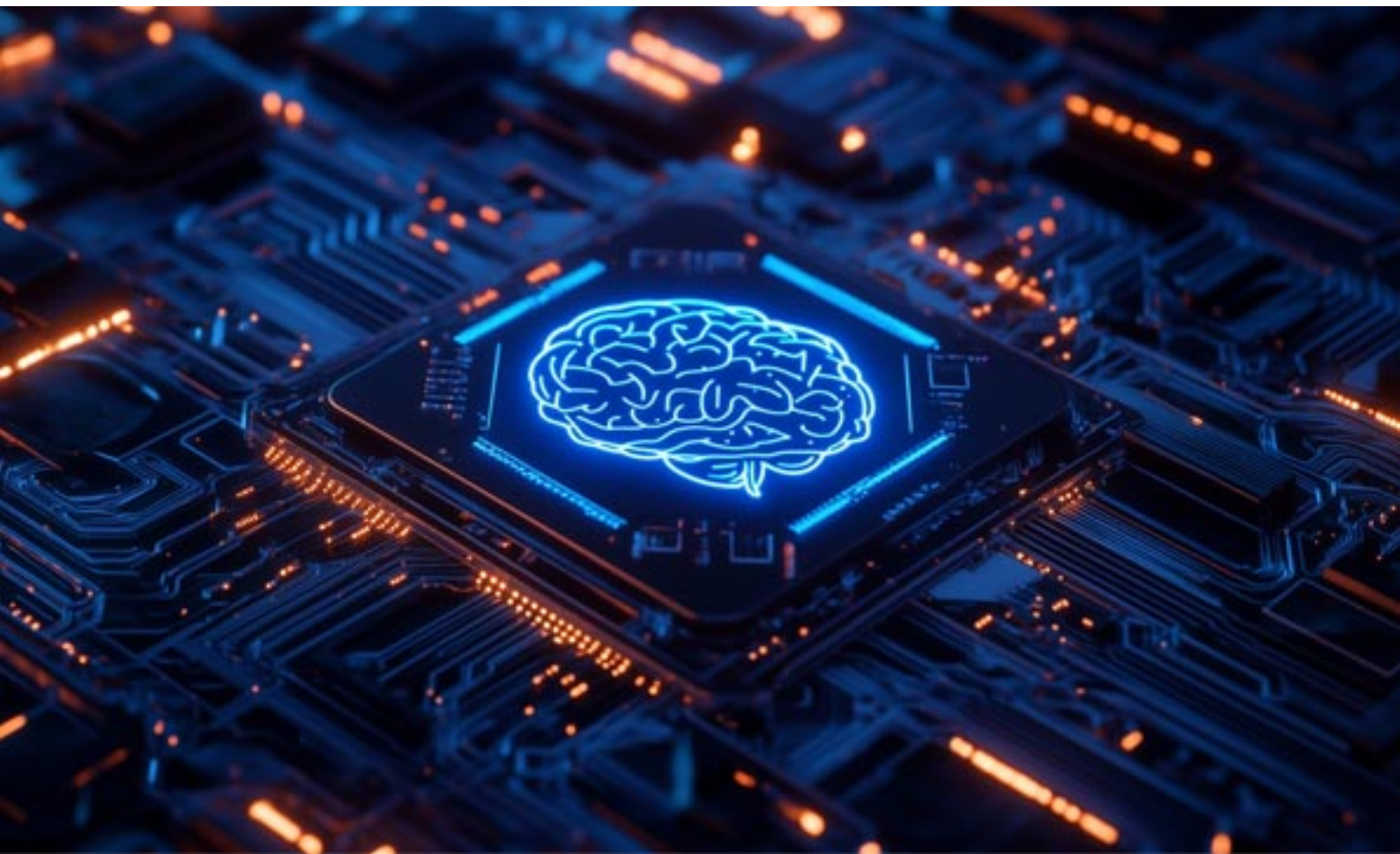


WORKERS

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ARTIFICIAL INTELLIGENCE: THE BATTLES AHEAD

Middle East Back off, stay out! **May Day** Rebuild Britain
Housing More isn't the answer **NHS** A manifesto
Starmer Endangering Britain **NATO** War footing
Finance capital On the rise *plus* Historic Notes,
Industry The basis of nation News, Reviews and
Water An industry sinking more

WORKERS



Back off out of the Middle East!

BRITISH INVOLVEMENT in overseas adventures should be a thing of the past. In recent years it has brought conflict, not peace, to the Balkans, Afghanistan, Libya and Iraq. And now British armed forces are to be used against Iran.

Each day brings further escalation in the armed conflict between Israel and Iran, with increasing US interference. This latest round of hostilities has deep roots – due in large part to previous involvement by Britain and France as well as the US.

Yet the Starmer government pours fuel on these fires in the Middle East. It is deploying more Typhoon fighter jets and more refuelling aircraft, adding to those already stationed in the region. RAF planes already in the region are engaged in the conflict, gathering and sharing intelligence with US intelligence services and so with the Israeli Defence Force.

Starmer says he wants de-escalation and diplomacy, but aligns Britain with the US and French governments in support of one side in the conflict. His selective recognition of nations' right to self-defence only destabilises the region and stifles diplomacy.

Along with the rest of the G7 countries, Starmer has declared for Israel's right to defend itself and that Iran should never have nuclear weapons. A report that Iran may be able to

develop such a capability is the immediate cause of (or pretext for) the current escalation.

Israel is widely believed to already have nuclear arms. Allegations that Iran wants to have that capability aren't new. In 2008 for example, despite the IAEA finding no evidence at the time, the US pressed for suspension of Iran's uranium enrichment programme (which began in 1974 with the support of the US) – supported by the Labour government as ever.

Britain has 14,000 armed forces personnel deployed across the Middle East. Troops are based in Saudi Arabia, Oman, and Jordan, and in US bases in Iraq. The Royal Navy has bases in Bahrain and Oman. The RAF has bases in Qatar, the United Arab Emirates, Oman and Kuwait. Britain has two "sovereign bases" in Cyprus.

Chancellor Rachel Reeves says, "we're sending in assets to both protect ourselves and also potentially to support our allies." Protecting military bases and British troops stationed in foreign countries is not protecting ourselves, rather the reverse.

British troops and bases are now all hostages to fortune. We are told they contribute to peace and stability in the region. What peace? What stability? These are illusions all the while foreign powers are involved. ■

Cover photograph Anggalih Prasetya/shutterstock.com



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Contents – July/August 2025

News Digest

Good news for Rolls, p3; NATO heads to war footing, p4; Water – an industry sinking, p5

03

Features

Cultural workers gear up for AI battles ahead, p6; Keir Starmer is endangering Britain, p8; The remorseless rise of finance capital, p10; May Day: the task is to rebuild Britain, p12; A manifesto for the NHS, p15; Industry: fundamental to Britain, p16; Building more houses is not the answer, p18

06

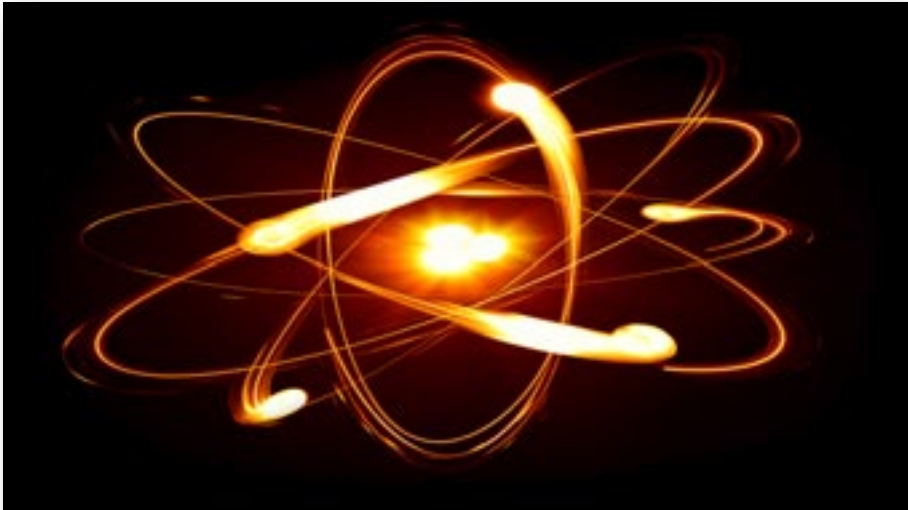
End Notes

Book Review: The battle for mineral resources, p20; Historic Notes: Why philosophy mattered to Marx, p22; Questions and answers, p24

20



SMALL REACTORS	Good news for Rolls
PRIVACY	Government snoops
NATO	Heading to war footing
US IMPERIALISM	British bases used
WATER	An industry sinking
SCOTLAND	More SNP rubbish
FACTS MATTER	References online
E-NEWSLETTER	How to subscribe
ON THE WEB	More news online
WHAT'S ON	Coming soon



Roman Sigaev/shutterstock.com

Good news for Rolls

ON 10 JUNE Rolls-Royce announced that it has been selected to develop Britain’s first three small modular reactors. The company points to its unique nuclear capability and proven technologies it has developed in this field.

The government said that the project should support up to 3,000 new skilled jobs and, with an output of 470 MW, provide power to around 3 million homes. The SMRs will be factory-built, then transported to their sites of operation.

Unite general secretary Sharon Graham said, “This announcement is vital for jobs in construction and the energy sector.” The union is committed to ensuring that the programme delivers well-paid, skilled, unionised jobs.

Announced on the same day as the go-ahead for Sizewell C, the SMR decision demonstrates a welcome shift in government policy after a long period of procrastination. Earlier, on 15 May the Chancellor of the Exchequer Rachel Reeves visited the R-R Learning and Development Centre in Derby and gave a speech on the growth of the economy. She met some of the workers, including apprentices, providing an opportunity to hear directly from the highly skilled workforce demonstrating the company’s engineering excellence.

Rolls-Royce spent £2.3 billion in 2024 on goods and services from over 2,000 British companies and plays a critical role in ensuring Britain has highly differentiated, world-leading capabilities in aero-engine and nuclear technology. The company’s exports account for around 2 per cent of all UK export value.

The Chancellor also met Unite representatives, where issues for the aerospace sector were aired, especially potential government commitment to the Typhoon programme where both BAE and Rolls-Royce have significant stakes. This was confirmed days later with a five-year contract to continue support for the Engine EJ200 used on the Typhoon.

PRIVACY

Government snoops

GOVERNMENT PLANS to “crack down on fraud” are revealed in a new fraud bill making its way through Parliament. Among other measures are powers to effectively spy on private bank accounts.

Middle-ranking civil servants will be able, without a court order or ministerial approval, to request personal information from banks about someone’s account. All that is required is a “reasonable belief” that money is owed to the taxpayer, then money can be extracted and accounts frozen.

Banks will not even have to inform customers that their accounts have been accessed. The move echoes similar powers sought by the DWP earlier this year to look at benefits claimants’ accounts.

The bill is being considered by the House of Lords, and attracting a great deal of concern, but however it is eventually amended, it gives an insight into what Labour perceives as strength. Governments seeking such prying powers may wish to appear authoritative, but they are simply authoritarian.

FACTS MATTER

At *Workers* we make every effort to check that our stories are accurate, and that we distinguish between fact and opinion.

If you want to check our references for a particular story, look it up online at cpbml.org.uk and follow the embedded links. If we’ve got something wrong, please let us know!

If you have news from your industry, trade or profession call us on 07308 979308 or email workers@cpbml.org.uk



ON THE WEB

A selection of additional stories at cpbml.org.uk

Stay away from the EU defence pact!

A proposed security pact will subordinate Britain's defence interests to those of the EU. The Labour government calls this a "reset" in relations with the EU, but it's far more extensive.

Starmer's year of warmaking

Since he became prime minister, Keir Starmer has toured the world talking war and preparing for war. This is not in Britain's interest. He says the defence review will regenerate industry, but his government is doing the opposite.

Creating modern slums

One aspect of the housing crisis is the bad state of rented homes and the problem is growing, judging by a recent report. These conditions are a threat to health, especially for children.

More to do on railways

The government is returning passenger operating companies to public ownership. But large parts of the system remain in private hands. Rail union RMT says there's much more to do to secure the rail network Britain needs.

Defending higher education

Members of the University and College Union continue to take action in defence of higher education in this country.

Plus: the e-newsletter

Visit cpbml.org.uk to sign up to your free regular copy of the CPBML's electronic newsletter, delivered to your email inbox. The sign-up form is at the top of every website page – an email address is all that's required.

NATO via Flickr (CC BY-ND-CC 2.0)



Nato Secretary General meeting Keir Starmer in Downing Street, 9 June.

NATO heads to war footing

THE 2025 NATO summit in The Hague on 24-25 June, was the first led by its aggressive new head Mark Rutte of the Netherlands. Rutte has stated that NATO should "shift to a wartime mindset and turbocharge defence production".

In preparation, Rutte met in Sheffield with Keir Starmer and defence secretary John Healey, both seen as reliable proponents of a "more lethal NATO". The venue was significant as the home of Sheffield Forgemasters, making nuclear-grade steel components for Royal Navy submarines.

Later, in a speech at think tank Chatham House, Rutte thanked Britain for being, in effect, compliant following Starmer's "reset" with the EU. The British government is being primed to encourage the rest of Europe to pursue a "NATO-first" policy by increasing spending on munitions, roads, bridges, airfields and ports.

Rutte contended that Russia, with superior stockpiles of ammunition, would pose a threat to the rest of Europe even when the war with Ukraine ends. He gave it five years.

Several other recent events should be seen in the light of NATO's drive to war. On 9 June a new defence industry body titled the Defence Industrial Joint Council was inaugurated in London, co-chaired by Healey and Dr Charles Woodburn of BAE Systems. The venue was the HQ of defence company Hadean, chosen for its work alongside NATO in specialised training in virtual warfare in preparation for real-time warfighting and decision-making.

"Warfighting readiness" is the stated aim of the new council – a qualitative and dangerous step up from the defence industry as it stood. For the first time defence firms, investors, and trade unions (Unite, GMB and Prospect) are brought together, ostensibly as the "engine for economic growth" but in reality to prepare for war. Coinciding with London Tech Week, Starmer promised to put the UK at the "cutting edge" of new defence technology.

The Strategic Defence Review commits to a rise to 2.6 per cent of GDP from 2027, increasing to 3 per cent in the next parliament, "when economic and fiscal conditions allow", which means when the markets – finance capital – give the nod. This cautious approach is not good enough for Mark Rutte who wants allies to agree a 5 per cent increase and a 400 per cent "quantum leap" in military hardware.

The review commits to £6 billion this parliament in munitions with around a thousand new jobs. After decades of deindustrialisation, the prospect of war has caused the Labour government to develop a new interest in industry. Whether it can turn this into reality is another matter – funding and industrial capacity are both in question. ■

US IMPERIALISM

British bases used

WHATEVER THE prime minister is saying about caution, President Trump is already using British bases to further warmaking in the Middle East.

In all, Trump has sent eight heavy-lift cargo jets and 27 refuelling planes to Britain, Spain, Italy, Germany, Crete and Estonia since 16 June. Other NATO member countries' governments are rallying behind Trump (and Netanyahu).

The government has allowed Trump to

use RAF Mildenhall to send an aerial refuelling tanker aircraft and a long-range, heavy-lift transport aircraft, and RAF Lakenheath to send at least four Lockheed Martin F-35 Lightning II stealth strike fighter jets to Qatar.

Starmer has also allowed him to use Glasgow Prestwick civil airport to send five tanker aircraft and two cargo planes.

And to directly support the war effort, Starmer has sent yet more Typhoon fighter jets and Voyager air-to-air refueling planes to the British "sovereign base" in Akrotiri, Cyprus. ■

SCOTLAND

More SNP rubbish

SUCH IS its concern for the environment, the Scottish National Party (SNP) has banned the burning of bin bag waste in Scottish landfills from 31 December this year. Years of failure to invest in new incinerating facilities, (the only preferable alternative to landfill), have left Scotland without the capacity to handle the estimated

600,000 tons of waste in 2026.

The SNP approached English incinerators to deal with the excess, but discovered that lack of sufficient spare capacity meant that much of it could not be processed. Undaunted, it indicated that the unprocessed waste would be sent to English landfill sites or transported abroad. Waste experts reckon that could mean 80 to 100 trucks trundling daily across the border, probably causing more harmful emissions than the actual waste. ■



Lockwood Reservoir, Walthamstow, managed by Thames Water.

Water – an industry sinking

WATER COMPANY shareholders in England and Wales have taken more than £85.2 billion since privatisation in 1989. Bondholders have taken a similar amount. The water companies' total debt is £65 billion.

Thames Water has £20 billion of debt. It owes money to investment firms like BlackRock, Elliott Management and Aberdeen. They say they will "overhaul" £17 billion of the debt and then invest £3 billion in new equity. Clearly, they see more money can be made from our need for water.

As a condition of buying the company, these firms want the government to grant them immunity from prosecution for future environmental crimes. Clearly, they see that the best way to make even more money is to carry on committing environmental crimes. They never pay for their crimes anyway. If the government fines them, the water companies cheerfully cover the costs by upping our water bills (up by 36 per cent over the next five years, nodded through by Ofwat).

The predator companies claim that they are the only way forward for Thames Water, given that the government has foolishly pledged not to even consider nationalising the whole industry. The government claims that nationalisation would be inordinately expensive, which has given the companies what they see as an unassailable blackmailing position as the last and only game in town.

When the government says it will curb bonuses, the companies shamelessly riposte that they will just increase the directors' salaries to cover their losses. They say this is to attract the best and the brightest, when in fact it attracts largely the greediest and most unscrupulous.

Water company lobbyists claim that it would cost £99 billion to nationalise the water industry, an estimate the government passively accepts and repeats. But new research by Ewan McGaughey for Common Wealth exposes this as self-interested nonsense. The true cost is close to zero. ■

WHAT'S ON

Coming soon

JULY

Wednesday 9 July 7.30pm

Bertrand Russell Room, Conway Hall,
Red Lion Square, London WC1R 4RL

In-person CPBML Public Meeting



"Industry, the foundation of sovereignty"

This meeting asserts the vital importance of industry, the basis of every advanced manufacturing nation, the core of British independence, the foundation of our sovereignty. And steel is at the heart of industry. Thanks to the Scunthorpe workers' heroic efforts, people are increasingly aware of steel's crucial role in our industries and infrastructure. We need steel for a secure future. Come and discuss. All welcome.

WALES

Funding review woes

WHILE THE announcement of rail funding dominated headlines in Wales, the 2025 Spending Review presented on 11 June provided crucial detail on the outlook for the Welsh government spending. It will set the fiscal context for next year's Senedd election.

The Welsh government can raise taxes, but most of what it spends comes in a grant from the Treasury. Its funding will be £22.4 billion on average over each of the next three years (beyond next year's Senedd elections). Under the review Wales has suffered a drop in capital spending of almost 1 per cent.

The figures also include £445 million on railways in Wales, most for new stations. The cost of upgrading existing valley lines means the figure does not cover other costs and has been criticised as not enough. Only £25 million was previously allocated in last year's autumn budget. ■

• A longer version of this article is on the web at www.cpbml.org.uk

Artificial intelligence is touted as a means to boost economic growth and has great potential. But workers – especially in the creative industries – are concerned.

Cultural workers gear up

THE RULING CLASS will inevitably seek to use AI against workers, as they have done with every step forward in technology. Creative workers are among the first to feel this – and they are beginning to respond.

Trade unions representing workers in the arts and professions where creativity has a big role to play have cooperated over the past year, advising members about intensified exploitation and the danger to livelihoods.

It is a complex issue, with no single definition of AI. One useful description is “technologies with the ability to perform tasks that would otherwise require human intelligence”. Research by Equity, Musicians’ Union, National Union of Journalists (NUJ) and the Writers’ Guild has resulted in clear analysis of the subject and detailed advice for each sector.

Equity (representing mainly actors, singers and media workers) explains that AI aims to produce a close approximation to how humans learn, reason, carry out tasks and make decisions. It does so by training itself on vast amounts of data.

AI encompasses a wide range of technologies, including machine learning, deep learning, neural networks, expert systems, and robotics. But of most relevance to creative workers is generative AI, which can create new content, such as text, images, audio, or computer code.

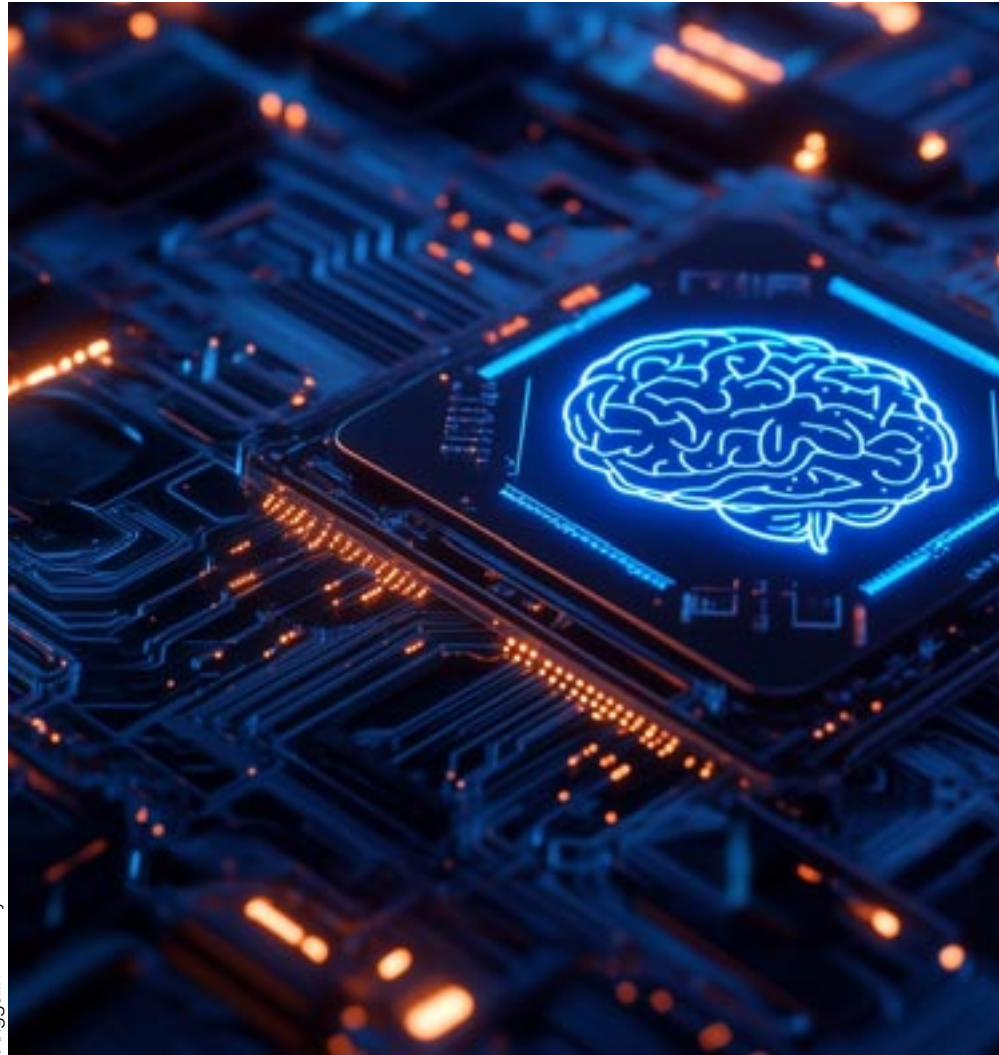
Generative AI output can resemble human-created content or synthetic media, but cannot replicate the creativity, emotion and authenticity performers bring. AI can help the creative process, but has already started to replicate aspects of performers’ roles.

Replacement

The trend of trying to replace human decisions is likely to increase as the technology develops. Equity emphasises the importance of being a trade union member as the best way to deal with these threats. But it also points out possible benefits too, if controlled by performers.

“If AI is applied ethically and responsibly in collaboration with workers and their trade union, it has the potential to positively impact performers,” the union says

For example AI could help performers appear in multiple productions across a



Anggailh Prasetya/shutterstock.com

single period and improve income; increase accessibility for deaf and disabled performers; enhance safety for stunt performers; and aid dubbing and automated dialogue replacement.

Equity spells out the dangers to all aspects of work, dangers that are similar across the sector – and echoed by the other unions. Job loss is the most obvious: 65 per cent of performers surveyed thought that AI technology poses a threat to employment. Notably, over 90 per cent of audio artists felt AI would affect their opportunities.

Pay is another obvious area of concern. One-off payments to performers for AI work often do not reflect that their contribution may be used forever, on thousands of

occasions.

Agreements for AI performance are inadequate and poorly understood. Performers don’t even know where their work is being used. And 80 per cent of those surveyed didn’t have a full understanding of their rights before signing a contract for AI work.

Poor employment practices are commonplace in the arts. Adding AI into the mix can only make this worse. Equity and other unions try to control this through collective bargaining. But the new technology is challenging across the globe as it would not be covered in historic collective agreements.

Creative expression is at risk too. Technologies such as the creation and use

mic growth. It is of course a great step forward and has industries will have to find ways to exercise control...

for AI battles ahead



of digital replicas remove agency from the performer. This cuts opportunities to perform in person and removes incentives for people to train and enter artistic work.

Stop stealing the show

By using their power through trade unions, creative workers are beginning to find that they can prevent even the largest corporations using AI to more intensively exploit them. Due to their innovative campaign, "Stop AI Stealing the Show", Equity members have achieved a huge victory, with the government abandoning a damaging data mining exemption.

Equity's next priority is, "...to integrate ethical terms and conditions for AI work into working practices through collective

bargaining." The union believes the strength of the industry is built on strong and equitable collectively bargained agreements with engagers, including the BBC, ITV, Sky, Netflix, Disney+, and Apple+, but they need strengthening. The union is also exploring new partnerships with digital cloning companies presently operating outside of agreements.

All the unions advocate for an artist-centred approach to safeguard their members. For example, Equity's AI Vision Statement outlines core principles for the industry to adopt when engaging artists for performance cloning. The aim is that performers have the contractual right to informed consent, control, fair compensation and transparency.

Protecting copyright

Many generative AI platforms create new material using original creative work without a licence. This infringes workers' intellectual property and legal rights, which remain poorly protected under British law against AI abuse.

The government says it wants to make Britain a global AI superpower. But rather than introducing regulation, they propose a voluntary code of practice for the industry. Technology companies developing AI are generally resistant to challenges; their business model seems to rely on free use of material generated by others.

Creative sector unions are alert to the need to tackle the dangers to members and their copyright work in the training of generative AI. Equity, for example, is seeking "...a constructive dialogue with producers...to ensure...informed consent, transparency and compensation" for all use of its members' work.

Most script writers, music composers and authors join their professional bodies, the Mechanical Copyright Protection Society (MCPS) and the Performing Rights Society (PRS). They work in a coordinated way to collect and distribute royalties on original works.

Both societies are analysing and making policy on the effects of AI. MCPS has updated its membership agreement, disallowing registration of 100 per cent AI-generated works. In other words, only the human contribution would be recognised.

'Intellectual property rights are poorly protected against AI abuse...'

A report launched on 4 June revealed how generative AI is already having profound impacts on Britain's creative economy. Compiled by Queen Mary University of London, The Institute for the Future of Work and The Turing Institute the report called for urgent action to protect creative workers. The Musicians' Union is already campaigning on those lines. It held a protest on 7 May as the Data Bill was passed without safeguards against generative AI. But along with others it continues to press for urgent action.

Journalists are in jeopardy from AI too. The NUJ's campaign calls for urgent regulatory oversight that includes promoting ethical approaches that safeguard the work of its members. It is calling for engagement with journalists and those whose work is used in AI technology.

The NUJ cited breaches of intellectual property rights, inaccurate data used in AI-generated stories, false attributions to journalists, and more. These "...directly threaten journalism and risks the reputation of every journalist abiding by ethical standards to ensure accuracy and honesty through their work."

Some final words include those of the authors Val McDermid and Chris Brookmyre. Chris discovered that twelve of his books had been recognisably plundered by AI, angrily pointing out that he "had given permission for precisely zero to be used to train AI" while Val urged fellow authors to use the search function and find out if their works had been used. The campaign continues to expand, bringing in the Writers' Guild and the Society of Playwrights.

A major struggle is under way to prevent the productivity screws being tightened on workers by stealing and exploiting their creative and original talents. ■

Keir Starmer and his government do not defend Britain. The only thing they do...

Keir Starmer is endangering

CABINET MINISTERS talk about a “defence dividend” and about defence spending growing the economy and improving our lives. Khem Rogaly, a researcher at think tank Common Wealth, has studied the relations of defence spending and jobs and observes that this “is not a viable strategy for growth or the creation of good jobs nationally”. Investment in industry is welcome, but an industrial strategy that focuses on the stockpiling of armaments is not aimed at improving our lives.

Hoodwinking

The attempts to hoodwink us keep coming. When Starmer launched the government’s Strategic Defence Review on 2 June he chose to do so at the Govan shipyard on the Clyde – now owned by BAE Systems. He talked about “a battle-ready, armoured-clad nation” and of British “warriors”.

When NATO Secretary General Mark Rutte visited Britain, Defence Secretary John Healey chose to take him on a tour of Sheffield Forgemasters, a heavy engineering company that specialises in the production of large steel castings and which was nationalised by the previous government in 2021.

Suddenly British politicians claim to see the importance of, and to value, British industry.

Of course, industry is vital to Britain’s ability to meet the needs of its population. And of course, we must be able to defend ourselves as a country, which means that we must have a defence industry, and armed forces focused on the defence of the country.

Instead Starmer says that our defence policy must always be “NATO first” and that Britain must be the fastest innovator in NATO. While Mark Rutte suggests that

‘NATO stands for war, not for peace...’



IPhot Bill Spur/Crown Copyright 2025

UK Carrier Strike Group on Operation Highmast, the British-led Carrier Strike Group, which began

unless Britain increases defence spending to 5 per cent of GDP – sacrificing health care and pensions, if that’s what it takes – then we’d better be ready to speak Russian. Our rulers are telling us that President Putin is the new Hitler. They tell us that we are in 1939 all over again. But NATO is expansionist. NATO stands for war, not for peace.

NATO was founded in 1949 by Britain, the USA, Belgium, Canada, Denmark, France, Iceland, Italy, Luxembourg, the Netherlands, Norway and Portugal. Its creators claimed that the alliance was a necessary defence against the Soviet Union. In response the Warsaw Pact was formed by the Soviet Union and its allies in 1955. In the 1950s, Greece, Turkey and West Germany joined NATO, followed by Spain in 1982.

When the Soviet Union collapsed in 1991 the Warsaw Pact was dissolved, but

NATO was not, and it has expanded ever since. In March 1999, Hungary, Poland and the Czech Republic were all admitted as full members. Ten days later they found themselves at war with their neighbour Yugoslavia, as part of NATO’s illegal bombing campaign.

Operations

At NATO’s fiftieth anniversary conference in Washington in 1999, a new “Strategic Concept” was adopted with the aim to include operations anywhere on the Eurasian landmass.

And the NATO expansion continues. In 2009 the Balkans, Albania and Croatia became members, with Montenegro joining in 2017 and North Macedonia in 2020. And Bosnia and Herzegovina, formed out of the break-up of Yugoslavia, is closely tied to NATO.

Elsewhere in Europe, Estonia, Latvia,

they do not act in our interests but cynically pretend that

ring Britain



n operations in the Indo Pacific region in June.

Lithuania, Slovenia, Slovakia, Bulgaria and Romania were admitted in 2004.

This scale of expansion contributes to international tension as Russia sees itself increasingly surrounded by US and NATO

bases. In the past few years, NATO exacerbated the situation by encouraging Ukrainian and Georgian membership and announcing new bases in Eastern Europe.

Neutrality abandoned

Since 2008, long before Russia's invasion of Ukraine in early 2022, Kiev has been told its future is in NATO. And Baltic nations Finland and Sweden abandoned their long-standing military neutrality to join NATO in 2023 and 2024 respectively.

No Russian government could ever want Ukraine to join NATO, because if it did, NATO's armed forces, including its nuclear forces, would be right up to Russia's border. NATO could have accepted Ukraine's neutrality, and thus prevented the war, if NATO were not the aggressive alliance that it is.

It is wrong to see Russia's attack on Ukraine as an example of some assumed limitless ambition, the first step in a Hitlerian drive to conquer all Europe, as Mark Rutte implied.

Russia's war against Ukraine is a typical development when two capitalist power blocs are in conflict. Events had been building toward it for a long time. It follows the precedent set by NATO when it attacked Yugoslavia without UN authorisation.

The dissolution of the Soviet Union, the expansion of the EU, NATO's growing control over Europe, did not bring peace. Nor will it while the rival imperialisms of the USA and Russia still exist.

Russia's war on Ukraine is just another

'If Ukraine ever joined, NATO's armed forces, including nuclear, would be right up to Russia's border...'

preventive war. The British ruling class's imperial history, for one, is full of preventive wars. The British Empire was founded and maintained largely by a series of preventive and pre-emptive wars and conquests.

The government endlessly tells us that if you want peace, prepare for war. This echoes the policy adopted by all the rival empires (Britain, Germany, France, Austria, Russia) before the First World War. If there is a previous period we should be thinking about, it is 1914, not 1939 as our government and the rest of the ruling class claim.

The Labour Party, like every other pro-capitalist political party in Britain, has consistently backed wars to advance imperial, capitalist interests – World War I, the wars against Korea, Kenya, and Malaya, more recently Yugoslavia, Iraq, Libya and Syria, and now Ukraine.

It's time to call a halt to that adventurism, which is not in Britain's interest. ■

CPBML public meeting

Wednesday 9 July, London, 7.30pm

Bertrand Russell Room, Conway Hall, Red Lion Square, London WC1R 4RL

"Industry, the foundation of sovereignty"

This meeting asserts the vital importance of industry, the basis of every advanced manufacturing nation, the core of British independence, the foundation of our sovereignty. All welcome. Free entry. For details, see www.cpbml.org.uk/events



Finance capital rules the roost here in Britain to the detriment of the real economy. The business newspaper has long been the *Financial Times*, not the *Guardian*.

The remorseless rise of finance



Workers

The Bank of England, London.

WHEN ELECTED in 1979 Margaret Thatcher further forced the domination of finance. One of her earliest decisions was to abolish exchange controls, turning the City of London into an offshore financial market.

Over the following 30 years finance capital, with the connivance of governments, brought about the conditions for the 2007-2009 financial crisis. Hedge funds, high-risk private investment vehicles, created the market for collateralised debt obligations (CDOs).

Between 2002 and 2006 hedge fund assets tripled to \$1.5 trillion, and the number of funds doubled to 10,000. In that time, outstanding CDOs rose 12-fold from an estimated \$250 billion to about \$3 trillion. This market had grown so big that its

collapse triggered the collapse of confidence in the money markets in general.

In March 2008, Goldman Sachs collaborated with hedge funds Citadel Investment and Paulson & Co. to short-sell Bear Stearns stocks. They aimed to make huge profits from Bear's collapse – one of the key events as the crisis spread.

Faced with a declining rate of profit, capital has shifted operations even further away from industry. Finance capitalists used their power to get governments to boost the unregulated offshore economy, a logical development for finance capital.

Evasion

Tax havens allow capital to escape national control. They are designed to facilitate tax evasion and money laundering. Capitalism

is hand-in-glove with criminality.

In 2009, the Labour government bailed out the Cayman Islands tax haven, giving it \$39 million to plug a hole in its budget. The present government, despite fine words, is similarly supportive of tax havens.

In 2016, HSBC admitted to helping Mexican drug cartels launder \$900 million of drug money. Yet the US Justice Department (like the British government) turned a blind eye, explaining, "Prosecuting the bank could result in a global financial disaster." And that wasn't an isolated action by the bank.

In 2015, five of the world's largest banks, JPMorgan, Bank of America Merrill Lynch, Deutsche Bank AG, Nomura Holdings and Morgan Stanley, reported zero corporate tax in Britain. Goldman

ment of our economy. No wonder Britain's leading
not the "*Industrial Times*"...

finance capital

Sachs and UBS did pay some UK corporation tax that year – but just £21 million. Together the British operations of these seven banks employed 33,000 staff, reported revenues of £20 billion and profits of £3.5 billion.

Risk

In 2016, the 20 biggest European banks posted profits of at least £18 billion in global tax havens. They did not pay a single euro in tax on those profits. The European Central Bank supervises around 110 of the eurozone's biggest banks. But in May 2023 the EU's own body, the European Court of Auditors, reported that the ECB is too lenient in handling how these banks manage credit risk.

The report stated, "The ECB recently flagged that the outlook for banks is deteriorating, amid weakening economic prospects and increasing credit risk." It concluded, "more needs to be done for the ECB to gain increased assurance that credit risk is properly managed and covered."

Instead of controlling the banks, the 2022 to 2024 Sunak government did the opposite. It dreamt up Pisces – the Private Intermittent Securities and Capital Exchange System – supposedly to revive Britain's equity markets. This system allows private firms to trade shares at intervals, offering investors the chance to sell their stakes.

The election put Pisces on hold, but the Labour government is going ahead, badging it as a good thing for the economy. Chancellor Rachel Reeves has already confirmed that shares traded on this exchange will not have to pay stamp duty.

Wall Street

Naturally, finance capital rules in the USA. President Trump's tariffs scheme benefits Wall Street, not US manufacturers and businesses. He is harming the real US economy, in much the same way that Liz Truss's 2022 mini-budget hurt Britain.

And like Truss, even Trump has to bend to international capital markets. The US dollar hit a three-year low on 21 April. US Treasury bonds are being sold off, prompting the largest weekly increase in

ten-year yields since 2001.

US business responds by expanding abroad. US private equity firms acquired 181 British businesses in 2023, up 35 per cent from 2022. Inward mergers (foreign companies acquiring those based here) totalled £19 billion in 2023's first quarter – the highest total in the last three years, four times last year's last quarter's figure. Most such mergers do not achieve greater efficiency. Their aim is not investment but asset-stripping.

With finance capital in command, the world is on a "recessionary path", as the UN says. But not for everybody. Bankers here seem to be doing very nicely out of economic troubles. The City of London's bankers got the biggest bonus packages in the world last year. They each trousered an average £114,000 bonus, up 25.7 per cent from 2023. Goldman Sachs was first to raise bonuses, followed by JPMorgan and Barclays.

Lloyds Bank's chief executive got £5.6 million last year, 53 per cent up on his 2023 pay. Nat West is proposing a 43 per cent boost to its CEO's pay package, taking it to £7.7 million.

Profiting from complexity

Profits can be made even out of regulations. The more regulations imposed by governments, the more opportunities for financiers. The more complex the regulations, the higher the fees that can be charged for regulatory advice. Sabotaging rules and regulations has become probably the single biggest source of profits for some of the world's largest banks.

Since the 2008 crash, Britain's governments have ignored the shadow banks – operating outside regulation – with their hidden risks. The shadow banking system has been allowed to continue to develop, adding to the sources of financial fragility and increasing systemic risk.

Securitisation – the practice of turning illiquid, hard to sell, assets like mortgages into tradable securities through legal fictions and financial engineering – is now standard practice. That is despite the evidence which emerged after the crash demonstrating the inherent dangers – so accurately portrayed in the 2015 film *The*

'Bankers seem to be doing very nicely out of economic troubles. City bankers got the biggest bonuses in the world last year...'

Big Short.

Capitalists across the world still see mortgage-backed securities as safe investables. The European Union sees "high quality and liquid" securitisation as the European capital market's main driver.

Risks are ignored in favour of the supposed gains from the efficient use of capital – in the end the nation states (and their citizens) so despised by finance capitalists pick up the bill for financial misadventures. And the cycle begins again.

In this market, profits come from sabotaging the price mechanism. Information and facts are misrepresented, and predatory practices adopted which harm clients, competitors and governments.

The freer and more deregulated the market, the wider the scope for sabotage. Governments assisted by shifting from curbing dodgy business practices to prioritising financial stability. That is, they ignored the sabotage, the cause of systemic failure, and focused on instability, the symptom of failure.

Finance absorbs too many resources, at the expense of industry, jobs, education and health. The dominance of finance capital has caused huge short-term cross-border flows of hot money.

It creates and profits from the debt dependency of governments, industries, local authorities, and households. It crowds out productive investment, and leads to ever-more punishing crises. Predatory capital undermines our civilisation; the parasite is destroying the host. ■

Politics is not parliament. It's up to us. the working class, reconstructing it in the interests of workers. That's the me

The task is to rebuild Br

ON MAY DAY we assess and take stock of the political situation in Britain and the world, to plan working class activity over the months and years ahead, and to think too about our goal.

Do we aim only to survive, to carry on as we have done for decades and even centuries? Or to think of something more ambitious, to turn from perpetual defence to asserting control, to enshrining that control in working-class rule, that is the dictatorship of the proletariat.

It's not parliament

When we talk about politics, we do not mean the activities that go on in the Houses of Parliament and Whitehall, nor do we mean the recent local elections in some parts of the country. Elections have been cancelled due to devolution we never asked for, and more have mayors we never wanted.

Universal suffrage in this country is less than 100 years old. But what difference has it made? We are now in an epoch where the working class, by which Marxists mean everyone who sells their labour power to live, is the great majority of the population. Politics is in the workplace and pub, and wherever workers gather.

On the big political questions of the day – on Brexit, for example – MPs showed themselves to be resolutely opposed to the popular vote. They did everything they could to obstruct and frustrate it. Most of

'On the big political questions of the day – on Brexit, for example – MPs showed themselves to be resolutely opposed to the popular vote...'



Unions gather for the start of the annual London May Day March this year.

them would be delighted to sell the country back to Brussels. If politics was parliament, we would still be in the EU.

Starmer wants to pose as the leader of a European alliance and promises to send British soldiers to die in the Ukraine or Crimea. Preparation for conscription is evident in a research paper written for MPs. US nuclear weapons are back on British

soil, at USAF Lakenheath in East Anglia.

We stopped the EU's idea of a European army, only to have it reintroduced by the back door. A security pact is

• This article is an edited extract from the speech given at our May Day 2025 meeting in London.

to take the initiative, take over our country, and set about
message from May Day 2025...

Britain



planned that requires Britain to sign up to the founding values of the EU and to subordinate our own national security and defence interests to those of the EU.

At the UK-EU Summit on 19 May Starmer was expected to give way to the demand for changes to fisheries arrangements, extending the time when EU countries' fleets will pillage our fishing grounds

by 12 years. [He did]. He has also undermined immigration rules with a so-called youth experience programme.

On trade too, the politicians in Westminster are able to allow incompatible beliefs to co-exist in their heads. On the one hand that free trade is an unquestionable good. And on the other, that we should ally ourselves with a European power and trading bloc built entirely on tariffs and barriers to trade.

Steel

Steel is a prime example; it is fundamental to industry. Steel workers forced the saving of British Steel at Scunthorpe from its Chinese owners. Scunthorpe produces the virgin steel needed in construction and rail. But the coking coal needed to keep the two blast furnaces going has had to be brought from the US and Australia.

One of the first actions of the newly elected Labour government last year was to withdraw support for the proposed Woodhouse colliery in Whitehaven in Cumbria. Yet it could supply coking coal, used in steelmaking, from beneath the Irish Sea for at least 25 years.

Does Ed Miliband hate coal even more than Margaret Thatcher did? The Chinese build their infrastructure exclusively with domestically produced steel. In the USA the proportion of domestically produced steel used in industry has varied from 70 per cent to 90 per cent. US governments since the 1970s have used import duties to protect the industry.

And what do we do? We put a carbon tax on steel, which according to the industry body UK Steel will cost the industry more than £150 million a year. Tata Steel was allowed to shut down blast furnaces at Port Talbot – why was that permitted?

It is not enough to place a carbon tax on imported steel. Unite, GMB and Community, the chief unions organising steelworkers, have set out plans for the future of the industry. These have far more weight than the government's Steel Council, which is charged with producing a strategy, but on which sit representatives of British Steel, that is to say the Chinese- and Indian-owned Tata.

Spain and Portugal proudly boasted

'Does Ed Miliband hate coal even more than Margaret Thatcher did?'

they had put all their energy eggs in the renewables basket. But then the entire Iberian Peninsula was blacked out in May, at a time when renewables were providing most of Spain's electricity.

Reality is now dawning in Britain. Sizewell C is going ahead and the government is expected to agree to a fleet of small modular nuclear reactors. Miliband is having to eat his words as sales of electric vehicles are stalling, and the government has had to postpone the ban on the sale of petrol and diesel vans, intended for 2030, to 2035.

But there is a long way to go. The closure of Grangemouth in Scotland, for example, in spite of determined resistance by workers in the industry and the local community, is another attack on self-sufficiency in energy production.

One plan is to turn Grangemouth into a fuel import terminal. How can this make sense? Instead of extracting our own oil, we will pay another country for theirs and pay someone else to ship it here.

Health

The British Medical Association's Resident Doctors conference met recently. Resident Doctors – hospital doctors in training posts, Foundation Doctors, SHOs, registrars and senior registrars – have a fight on their hands to defend their professional skills.

A role of physician associate has been introduced, which employers find tempting to substitute for doctors. The BMA has collected over 600 reports of serious concerns, including examples of cases when physician associates worked beyond their remit and competence,

Continued on page 14



Continued from page 13

leading to harm to patients.

The BMA has recently launched a campaign to give British medical graduates priority when applying for speciality training and a motion demanding this was passed by over two-thirds. The NHS notoriously preferred to import doctors and nurses from overseas, from countries that could ill afford to lose their skills. Bad for aspiring medical professionals in Britain and bad for those countries raided for their skilled workers.

Doctors with qualifications from medical schools abroad are popular with employers not least because they tend not to take industrial action. They fill up the training posts, leaving graduates of British medical schools unemployed, at a time when we have a shortage of doctors and a backlog of 76 million treatments.

As well as calling for prioritisation of British medical graduates, the BMA has joined the medical Royal Colleges in demanding an expansion of training posts.

Division and devolution

The division of British workers is catnip to capitalism. And that's why it's fostered in many ways: attempting to split Scottish, English and Welsh workers from one another; or by nurturing a seemingly endless list of special interests within our class, dividing every way you can imagine, by race, sex, sexual orientation. But class quickly returns despite attempts to drive it out.

The reception of the Supreme Court ruling on transgender issues has been one of relief that finally biological, material real-

ity has been recognised. Indeed, the working class that lives by working with and transforming nature is of necessity materialist. Fantasies disappear when exposed to daylight.

Vietnam

Our party does not usually make a song and dance about anniversaries. However, this year there is one anniversary that has lessons for us and which we should mark. On 30 April the Vietnamese celebrated the fiftieth anniversary of the event they call the Liberation of the South and National Reunification, when Saigon, now Ho Chi Minh City, fell.

It was decades ago but it's worth remembering because the Vietnamese had a long fight to liberate their country from the French, the Japanese, even the British who helped restore French colonial rule at the end of the Second World War.

A long guerrilla campaign culminated in a resounding defeat of the French at Dien Bien Phu in 1954, but imperialism imposed partition on North and South Vietnam, the latter governed, with US support, by a series of corrupt and vicious regimes.

Covert US support became open. It tried, in the words of General Curtis Le May, to bomb Vietnam back to the stone age. But by 1973 the US, at that time fancying itself as the world's leading political and military power, was defeated. It was forced to withdraw all troops by the Paris Peace Accords. So, the final reunification in 1975 was welcomed worldwide.

What did it mean for us? Ho Chi Minh, who led his country's revolution but did not live to see that victory, said that the only true internationalism is to make revolution in your own country.

Nowadays US power does not look so impressive: two wars in Iraq failed to achieve their purpose; war on Libya turned the country into a hotbed of competing jihadist gangs; and twenty years in Afghanistan ended in an evacuation as ignominious as that of Saigon. That cost Britain the deaths of 457 soldiers and many mutilated during our shameful intervention.

Many of us take too much interest in what goes on in the USA, as if it matters. Some British newspapers fill their pages

'We don't tell British workers what to do, still less do we issue advice to those in other countries on how to conduct their struggles...'

with US politics, and comment on their elections as if we had votes in them. If we've learnt anything, it's that to rely on politicians abroad or at home is folly.

Of and for the working class

Finally, some words about the CPBML. We are the only British party that is of and for the working-class. Since 1968 we have forged our own style: it consists of honesty and materialist thought and analysis. We deal with the world as it is, not as it ought to be. We all study and think, every member. We all work to apply the line. And you may think this a little thing, but it says something about our approach to democracy, that our meetings, perhaps uniquely among British organisations, start and finish on time.

We don't tell British workers what to do, still less do we issue advice to those in other countries on how to conduct their struggles; but we know Britain, and we will take no lessons from those overseas on how we should proceed.

We do say, to every worker, that capitalism has failed and if you want to move beyond that failure and harness the energy and thought of our class and country to make something better, then you must join the party, bring your experience, your knowledge and your will to change the world.

Long live May Day! It's up to us! ■

Skilled professionals in the NHS have a chance to take the lead. They must do so...

A manifesto for the NHS



Nurses picketing Great Ormond Street Hospital in December 2022.

‘Promises to improve the NHS can’t be taken at face value...’

again that role. And to avoid a repeat of the past, they must do so.

The promise of a 10-year plan for the NHS in England is positive – essential after years without. But that only works if those working for the service seize the opportunity to make effective changes.

Pay cannot be ignored. The Pay Review Body is an anachronism which NHS trade unions have decided to discard. But they haven’t yet found a way to force the government to concede. So again an inadequate settlement – 3.6 per cent this year – is imposed, with workers’ energies understandably directed to that immediate question at the expense of the longer term.

Finance can’t be ignored either. The service has always felt itself to be underfunded – often, but not always that’s been the case. Certainly, the NHS hasn’t always used its funds wisely. But now a new situation is emerging. Behind the smoke and mirrors of the latest Spending Review, swingeing cuts in budgets are expected.

Promises to improve the NHS can’t be taken at face value – and funding alone won’t be enough. As with much of what this, or any other, government does, details are vague and plans more designed for social media response than practicality.

But the approach of this government is clear: war (which it calls “defence”) is the priority; health and other services will be cut to pay for that. Unions opposing cuts were derided for saying the public finance was available but being used for war.

NHS workers now have to defend their service in a changed climate – and they will need the support from workers across Britain – not clapping or banging pans, but challenging the government on why it chooses war over peace, death over life. ■

THE NHS is, or should be, what it says on the tin. It’s National. It’s a Service. It deals with Health. Doctors and other healthcare professionals seek to ameliorate the health problems facing people, and hopefully to prevent them.

The NHS needs structures to achieve those aims and to facilitate the work of these professionals; but that’s all structures should do. Yet another reorganisation, badged as reform, is likely to go down the same road as earlier attempts. Workers have to ask why they failed and what might prevent change now.

Any organisation should be run by its most skilled members. The recent history of the NHS shows what happens otherwise. Structures were developed to impede and not facilitate the work of professionals.

They introduced alien concepts: the internal market and privatisation. Their purpose was to wrench control of the service away from skilled professions.

The Thatcher governments of the 1980s brought about dramatic steps backwards. General management replaced clin-

ical leadership; competition replaced planning. This created instability and the import into the NHS of accountants and managers with profit in mind over healthcare.

Variations on these structural changes have staggered on for the past forty years, shifting as the inevitable problems surfaced, but preserving the rotten core. This path seems now to have finally run into the sand. Private contractors remain, but the internal market is crumbling.

Integration

There are still far too many non-clinical bodies, but the welcome watchword of “integration” is taking hold. Abolition of NHS England and rationalisation of other bodies (the merger of the NHS Confederation and NHS Providers being the latest) are to be welcomed. Also welcome is the return of many non-clinical functions to the place they started – central government.

But what happens next? Skilled professions denied the leading role for past decades now have the chance to assert

Having failed to persuade the people that Britain can exist make concessions. Even the sanctity of net zero is coming

Industry: fundamental to



Workers

Steelworkers on the January 2024 TUC demonstration in Cheltenham. Now the government has had to act.

THE RECENT announcement that the government is committing to invest £14.2 billion on a new double reactor power station at Sizewell in Suffolk is a welcome change of heart. After decades of procrastination, with most of our nuclear estate coming to the end of its natural life, the prospects for British industry were looking grave without abundant, readily available energy.

Some, like Sarah Darby, of Oxford's Environmental Change Institute, consider the pressurised water reactor (PWR) favoured by French company EDF to be old technology, an outdated model. Very well, let them talk to the government and

persuade them of this. Nonetheless, the fact that there is now a commitment to some kind of nuclear future is the real turning point.

At the same time, along comes an announcement that Rolls Royce will build a fleet of small modular reactors (SMR), which have the advantage that they can be factory made and delivered to where power will be needed, without the endless source of cooling water which PWRs require.

Tentative

Given the scale of our need, these are small, tentative steps, but they are on the

right road.

This development has been forced on the government because it cannot persuade people to live the primitive life which the absence of manufacturing guarantees.

For decades, government attitude to industry has been characterised by distrust and neglect. Distrust, because when workers are engaged in their own industry, their own place of work here, they can exercise a level of control.

When distrust is combined with a policy of "let the markets provide", the ensuing neglect of domestic industry in favour of importation represents nothing less than an

without industry, the government has been forced to
g into question...

Britain

assault on manufacture.

Had this neglect of industry been around at the time of World War Two, our capacity for self-defence would have been fatally undermined. To survive, Britain had to prioritise heavy industry, coal extraction and weapons production.

But the young male workers who would traditionally fill those roles were enlisting, so a proportion, initially 10 per cent, later more, were diverted from the front line to the coal face – the “Bevin Boys”. Young women filled the vacancies in the factories and on the land. Industry was our baseline of defence and had to be maintained at all costs.

The post-war period saw a drive to rebuild industry, including new technologies such as the nuclear power station at Calder Hall in 1956. Many industries were nationalised, with governments expected to accept responsibility for national interests. But it was a relatively brief period.

Privatised

In the 1970s, the defence industry was privatised – British Aerospace in 1977, British shipbuilding and the Royal Ordnance factories. Large private defence companies concentrated on arms sales abroad, effectively abdicating responsibility for the national interest.

From that time the attack escalated, with wholesale privatisation of public assets, and the destructive consequence of EU membership. Now, virtually every national asset of significance is either for sale or already sold. Ports, airports, power stations, railways, banks, steel, motor manufacture, utilities, even football teams, are foreign owned.

But the British people are not going along quietly with this industrial destruction, particularly when it's done in the name of decarbonisation. We know that the mined resources and manufactured goods we need are better mined and made here than imported from around the world.

Nothing shows up the absurdity of allowing the sell-off of industry more clearly than the recent debacle at British Steel in Scunthorpe, where the Chinese owner deliberately failed to invest in the works, hoping to oblige us to buy Chinese steel.

And the government sourced coking coal (needed to make steel) from Australia, after blocking the proposed mine in Cumbria which could supply it.

The steel industry in Britain, a foundation industry on which everything else depends, is hanging by a thread. Depending on the market will not save it, and the government is forced, reluctantly, to step in. But it must do more than invest British taxpayers' money in Australian mines.

Real wealth

This cannot be allowed to go on. Failure to invest in industry is failure to invest in genuine wealth creation, because industry, ultimately, alongside natural resources, is the source of all wealth.

Creation of wealth has been relegated for decades, replaced with a reliance on debt. Public sector debt has risen to £2.7 trillion, almost the size of the economy. To service this debt now will cost taxpayers £100 billion a year till the next election. This is unsustainable.

But amid the gloom there are some encouraging signs. Even the sanctity of net zero is coming under scrutiny. When motor manufacturers came to see that profits were being hit by imposed EV mandates, they began to apply pressure, either to be excused or for the time frame to be relaxed. And the government, under pressure, relented.

‘For decades, government attitude to industry has been characterised by distrust and neglect...’

It may well be that Miliband's ushering in a “New golden age of nuclear” is prompted by a growing realisation that renewables cannot drive industrial recovery on their own.

The markets are failing to answer our needs. Pressure must be maintained on the government to ensure that domestic manufacturing, particularly steel, powered by available, reliable and affordable electricity, is the cornerstone, not just of prosperity, but of national defence and security.

There has to be a growing call to scrap the net zero cant and ensure a future by using our natural resources to fuel an industrial regeneration, with British workers at the heart of it. ■

Meet the Party

The Communist Party of Britain Marxist-Leninist's series of public, in-person meetings continues on Wednesday 9 July in London on industry, the core of British independence. All meeting details are published on What's On, page 5, as well as in our eNewsletter, and at cpbml.org.uk/events.

As well as our in person meetings, we hold regular Zoom discussion meetings – check cpbml.org.uk/events for details of the autumn series. We also run study sessions for those who want to take the discussion further.

If you are interested we want to hear from you. Call us on 07308 979 308 or send an email to info@cpbml.org.uk.

In cities all over Britain councils are turning their gaze on precious green belt land. The approach dominates thinking

Building more houses is



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Social housing in Barnardo Gardens, Tower Hamlets.

ON 9 MAY the Mayor of London launched a consultation, called “Towards a new London Plan”, about the overall strategic plan for how London should grow and develop over the next 20 to 25 years.

The strategy will include policies for housing, transport, and the environment in London. Boroughs will have to ensure their own plans fit with it. On housing at least the approach looks flawed from the outset.

The consultation includes suggestions for building on green belt land within Greater London. The message from the mayor’s office is that there is a housing crisis and we must build our way out of it.

It is common to hear Londoners say, “Building more houses is not the answer”. This reflects widespread unease that many of London’s new houses are not affordable by Londoners. And no amount of building seems to diminish the waiting list or the number of homeless in London.

Waiting lists

Over 336,000 households in London are on local authority waiting lists for social housing in 2024 according to government data. This is the highest figure for more than a decade, a 32 per cent increase since 2014. London accounts for 25 per cent of the

total number of households in England waiting for social housing.

London borough councils overspent their 2024-25 homelessness budgets by £330 million; their spending increased by 68 per cent in a single year! According to the most recent data more than 183,000 people are homeless and living in tempo. The situation is out of control and is leading to the financial collapse of councils. Housebuilding makes no impact on the waiting lists.

Although the present level of housebuilding in Britain is low compared to a few decades ago, London has seen significant

strategies to build even more houses, and using up
g in London's City Hall. But it won't work...

not the answer

housebuilding activity recently. Between 2014 and 2024 the stock of domestic properties registered in London for council tax (a useful proxy to measure housebuilding) grew from by 360,000 to 3.82 million, an increase of 10.3 per cent. Only the East Midlands had a higher growth rate in England, slightly higher at 10.6 per cent.

Growth is unevenly spread around London, with huge variation between boroughs. Tower Hamlets had the highest growth rate (more than any other local authority in England); its residential stock increased by 30,640 homes in a decade, over 26 per cent.

Despite this significant amount of new housing, Tower Hamlets has a long housing waiting list – fourth highest of the 31 London boroughs. And it remains in the top third of boroughs for households in temporary accommodation. As every borough in London has a higher proportion of households living in temporary accommodation than the average in England, that's a dire position.

Mismatch

The complete mismatch between the houses built and “addressing the housing crisis” is evident in the Greater London Authority's own recent data. This shows a mere 582 grant-funded affordable homes were started and 2,697 were completed in the capital in the first half of the 2024-25 financial year.

If Londoners see that building more houses is not the solution, there are at least three things that they would do.

Firstly, stabilise the population: it is hard to plan anything when you don't know what you are planning for. This means control of migration – though many still shy away from discussing the topic.

Secondly, maintain the existing social housing stock: it is far cheaper to keep an existing property available than to build a new one.

Thirdly, stop the growing problem of tenancy fraud – another area where those charged with enforcing the law appear to have given up or declared themselves lacking the funds to do so.

The truthful answer to the question about the size of London's population is

that no one really knows. The Greater London Authority estimates the population at 8.9 million on its official website. However, the World Population Review, using the United Nations World Population Prospects estimates that London's population is 9,840,740 – a million more!

In January the *Daily Telegraph* obtained an analysis by Thames Water to help assess demand for its services, following a Freedom of Information request. This suggests that the equivalent of up to one in 13 of its 7 million users is an illegal migrant (Thames covers a different area from the GLA). The estimate ranges from 390,000 to 585,000, but in any case this is a significant figure compared with the total legal net migration into Britain in 2024 of 431,000.

Besides the limitations of official overall population data, other trends are affecting housing need. And in London one of these is dramatic – the exodus of families from inner London and the resulting fall in primary school pupil numbers.

For example over 30 per cent of primary places in Lambeth and Westminster are now unfilled. This leads to dire funding problems for those schools, prompting closures and amalgamations.

Disrepair

The poor state of repair of many rented homes in the public and private rental sectors is not a new phenomenon. A recent analysis from the Housing Ombudsman, reported in *Workers*, showed a fivefold rise in complaints about the state of housing.

Another key point of discussion among Londoners: what's the point of building new homes if you cannot maintain your existing ones? Poor condition is one of the major reasons for existing council homes standing empty.

London has seen a two-thirds rise in the number of empty council homes since 2016 with one in 35 lying vacant in 2024. This astonishing figure reflects two major trends. One is the number of social housing units awaiting demolition because of their poor state, and the other simply that individual units need to be made habitable between tenants. Both trends derive from the underfunding of repair and maintenance of properties.

‘What's the point of building new homes if you cannot maintain your existing ones? Poor condition is one of the major reasons for existing council homes standing empty...’

The recently released Tenancy Fraud Forum report highlights how few resources are devoted by councils, and even less by housing associations, to combating tenancy fraud. The report points out there is no national research on what is a nationwide problem. It estimates there are 50,000 tenancy frauds in London. That is an alarming figure and, like the population figures, no one really knows the true extent.

Alan Bryce, the author of the report, says: “Tackling this type of fraud is quicker and more cost effective than building the new homes needed to accommodate the approximately 70,000 London families in temporary accommodation.”

For example the research found one very quick and effective way for over 1,000 London social homes to be made available for those in genuine need would be if the short term, online holiday letting platforms adopted basic fraud prevention practices before advertising properties on their websites. In the report Bryce writes, “That they seem reluctant to do so, putting profit before communities, is to the detriment of all Londoners.”

It's a telling comment. There are answers to London's housing crisis but a reluctance to address them even among workers themselves. ■

A global competition is under way to secure access to minerals like lithium and cobalt, crucial to technological development..

The battle for mineral resources

Freedom_wanted/shutterstock.com



Aerial view of lithium fields in the Atacama desert, Chile.

The War Below: Lithium, Copper, and the Global Battle to Power Our Lives, by Ernest Scheyder, paperback 384 pages, ISBN 978-1804186374, Ithaka 2025. Kindle edition available.

ERNEST SCHEYDER, a correspondent for Reuters who previously covered the shale revolution in the USA, has written a vivid, many-sided account of the forces shaping the global struggle for control of mineral resources and supply routes.

Scheyder has explored some inconvenient truths and advocated for sensible solutions. Though set in the US, with a side trip to a Bolivian salt lake, and written largely from a business point of view, the book contains much to inform and challenge workers here in Britain.

The discovery of a rare and tender flower, a species of buckwheat, whose only known habitat is a bed of lithium, symbolises the dilemma posed throughout the book. How can preservation of nature and civilisation above ground be reconciled

with the invasive extraction of what lies hidden beneath – in this case a giant reserve of key battery metal.

Critical minerals such as lithium, copper and cobalt, and rare earths like molybdenum and thorium, are vital to help adapt to climate change, and are integral to technological development. This means digging more mines.

Competition for the metals is intensifying. National interests are intertwined globally in the quest for energy independence. It's a conundrum – for the working class as well as capitalists. Outsource the dirty work of extraction, and increase carbon footprint through imports. Or mine in, or as close as possible to, our own backyard.

In Britain we see this contradiction played out over oil and gas extraction and steel production. Scheyder quotes a worker at the Perpetua mining company: "If you want to change the climate, industry has to be part of the solution."

In charting the steady rise of China, with its methodical state-directed planning,

Scheyder exposes the disorganisation, waste, and sheer anarchy of the US economic system. That country is rich in critical raw materials. But it has failed to nurture its own assets, outsourcing its entire rare earths industry to China, including its stockpiles of weapons-grade minerals.

US companies seek whatever they think is profitable. So Ford is to partner with Chinese company CATL to build a battery plant in Michigan. And Bolivia, no longer determined to retain its "lithium sovereignty", chose CATL rather than a US-led consortium.

Scheyder sympathises with executives who want an unbroken chain of production "from mine to market". But that's a pipe dream. The USA itself supplies twice as much copper as China, but is dependent on Chinese processing technology.

Without taking sides, Scheyder points to a disconnect in strategy. Following a one-sided policy of environmental protection, Biden killed off the mining of domestic copper, nickel, cobalt and platinum, and in the process many blue-collar jobs.

Trump's recklessness is contrasted with Biden's hesitancy. If he understood nothing else, Trump knew in his first term that he had to move fast on lithium for EVs to compete with China.

Speculative

Scheyder also shows how lithium has become a highly speculative market, notorious for share price-rigging and selling on to the highest bidder. A committed investor is required to risk hundreds of millions of dollars of private capital towards the mammoth task of clearing a tainted site or difficult terrain, building the mining infrastructure, and compensating the locality with schools and hospitals.

Scheyder doesn't pull his punches about mining conditions – lethal sludge from a breached dam engulfing a community; pipelines leaking radioactive particles; toxic waste scarring the landscape.

It doesn't have to be like this. One of the most gripping passages in the book describes the unexpectedly radical part played by jewellery manufacturer and retailer Tiffany, joining forces with community activists and unions to campaign for

nerals such as

sources

‘Scheyder has explored some inconvenient truths and advocated for sensible solutions...’

responsible mining. Back-room disputes and precipice-edge agreements are narrated in thrilling detail as diverse players, inspired by forestry stewardship, battle to establish international mining standards.

Establishing collaborative control took ten years of compromise and sensitivity to differing topographies, with input from Canada and the World Wildlife Fund, but the end result by 2018 had avoided costly and divisive court battles, and gave encouragement to miners pinning hopes on the transition from iron ore to the metals of the future.

Positive steps are being taken to limit new mines in the future by recycling lithium-ion batteries. Scheyder points to “Daisy”, Apple’s robot for breaking apart an iPhone to its glass, aluminium shell and battery. Recycling reduces landfill and makes up for depleted metal reserves like cobalt and nickel. It speeds up production compared with mining from scratch.

Access to the mineral resources of other countries is behind many of the trade deals that our government seeks, such as the Trans-Pacific Partnership (CTCPP) it joined in December. And it is eyeing up Ukraine too, though the US might think it has priority!

As workers we cannot sit back and trust parliament to act in our interest. Those in power seek to immerse us in the under-currents of war; this book will inform us about one of the key struggles for resources. And it may help us arrive at some conclusions of our own. ■

• A longer version of this review is online at cpbml.org.uk

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Nearly two centuries ago Karl Marx found the practical basis of the connection that exists between thinking and being and action.

Why philosophy mattered

KARL MARX performed many different tasks in a busy life, one dedicated exclusively to advancing the cause of the working classes across the world. During his lifetime he became an economist, a historian, a journalist, a leader of working class struggle, an advocate for revolution, and a philosopher.

His various activities, always interacting, informed each other. Most people are familiar with his other involvements, but possibly fewer are aware of his remarkable contribution to philosophy and how this shaped his political activity.

Why was philosophy so important to Marx? And how did grappling with philosophical thinking help develop the whole of his trailblazing outlook?

As a young man Marx first studied law, then history, before pursuing a doctorate on ancient Greek philosophies of nature. From the start, he wasn't just immersed in the ideas of the distant past, he engaged directly with German philosophical contemporaries, such as Georg Hegel and Ludwig Feuerbach.

In his early writings, Marx pursued an interest in alienation – people distanced from their work and their wider world. Though he did not return to the subject much in his later works, his thoughts still have significance, particularly when he addresses the question of alienation at work.

Marx identified different dimensions of alienated labour in contemporary capitalist society. One such was that immediate producers are separated from the product of their labour because they neither own nor fully control the product they make.

Another is that these producers are separated from other individuals, countered

to a certain extent by workers' collective organisation. So when workers insist on a common professional stance to their work, do they actively resist and repel alienation?

A wide-ranging thinker, Marx fashioned a synthesis of history, economics and philosophy.

He studied in-depth the philosophical categories of materialism, which holds that matter is the primary constituent of reality, and dialectics, which seeks to understand change through examining and resolving contradictions.

Marx took what was positive from both these strands of thinking whilst simultaneously identifying weaknesses in previous interpretations. He proposed new directions for both.

From Feuerbach he developed the view that reality is not something spiritual but something material. Marx called this thinking materialism. To Marx, the ideal is nothing else than the material world reflected by the human mind, and translated into forms of thought.

From Hegel he inherited the idea of human destiny, of the self-creation of man as a process, of history having a movement, of nothing staying the same, of the idea of right being held by the society as a whole, of the dialectic being the motor of a system in motion.

But he rejected Hegel's "Absolute Idealism" and his view that spirit is the very essence of existence, as well as his worship of the Prussian state. Marx transformed these notions into new interpretations and in a different direction.

For Marx, reality is best understood as an on-going historical process: the key to understanding reality is to understand the nature of historical change. He noticed that development proceeds in spirals rather than straight lines. Inner impulses cause development by leaps, catastrophes or revolution; that development is imparted by contradictions acting within a given society.

From his studies, Marx concluded, "The philosophers have only interpreted the world in various ways: the point however is to change it." This famous epigram was one of eleven theses rebutting the ideas of Feuerbach. Though never published in his lifetime, it is inscribed on his tomb in



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Karl Marx's grave, Highgate Cemetery, London.

Highgate Cemetery.

His philosophical conclusions weren't self-contained but shaped his study of economics and history. *Capital* analyses the material basis of capitalism starting with a commodity. His prompt pamphlet praising the revolutionary Paris Commune in 1871 owes much to his knowledge of dialectics and materialism.

Unyielding

Marx had an unyielding belief in the endless possibilities of a working class. Where did it come from? Most probably it came from his practical experience of working with French, German and British workers, as well as from his work of creating the First International.

Yet perhaps this belief was also generated and sustained from his philosophical conclusions. For a working class is the only material force able to effect revolutionary transformation; it is the only part of the contradiction able to resolve the question of power.

In Marx's day, dialectics and materialism were separate. When working class revolutions took place in the twentieth cen-

'For Marx, reality is best understood as an ongoing historical process...'

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ture, these two concepts were grandly combined into dialectical materialism, but this created a new problem.

The new socialist societies gave this outlook a formal academic cachet it didn't require, by creating institutes and universities of Marxism-Leninism and putting it as a subject on school curricula. In the process what should have been a practical philosophical tool was unintentionally sidelined into a learn-by-rote mantra, an impractical catechism.

This quasi-religious approach not only bored people silly but also deadened the applied, creative imperative behind dialectics and materialism. Their only useful purpose is to indicate or produce the best applications, methods and pathways to solve the problems and crises facing workers under capitalism.

Everyone who wants progress for workers should keep Marx's philosophy active, not consign it to a quaint historical archive away from the urgencies of life. What is needed is simple: a spirit of thinking, a philosophical approach, a compass to navigate a way out of capitalism's absolute decline. ■



Worried about the future of Britain? Join the CPBML.

ABOUT US

As communists, we stand for an independent, united and self-reliant Britain run by the working class – the vast majority of the population. If that's what you want too, then come and join us.

All our members are thinkers and doers. We work together to advance our class's interests. Every member can contribute to developing our understanding of what we need to do and how to do it.

What do we do? Rooted in our workplaces, communities and trade unions, we use every opportunity to encourage our fellow workers and friends to explore how Marxism can be applied to Britain now. Marx's understanding of capitalism is a powerful tool – the Communist Manifesto of 1848 explains the financial crash of 2007/8.

Either we live in an independent Britain deciding our own future or we become slaves to international capital. Leaving the EU was the first, indispensable step. Now begins the fight for real independence.

We have no paid employees, no millionaire donors. Everything we do, we do ourselves, collectively. That includes producing *Workers*, our free email newsletter, our website, pamphlets and social media feeds.

We distribute *Workers*, leaflets and pamphlets in a variety of ways, such as online or in our workplaces, union meetings, communities, market places, railway stations, football grounds – wherever workers are, that is where we aim to be.

We hold regular public meetings around Britain as well as online meetings, study groups and less formal discussions. Talking to people, face to face, is where we have the greatest impact and – just as importantly – learn from other workers' experience.

So why join the Communist Party? What distinguishes Party members is this: we accept that only Marxist thinking and the organised work that flows from it can transform the working class and Britain. We learn from each other. The real teacher is the fight itself, and in particular the development of ideas and confidence that comes from collective action.

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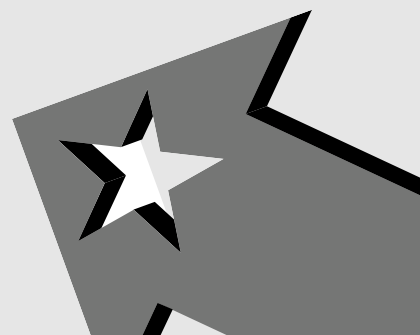
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Questions and answers

‘Governments are not truly in control of the economy either. They simply seek to manage it for finance capital...’

WORKERS HAVE many questions. Will there be a war? How can Britain secure the energy we need? How much of our food can we grow here? What can be done to improve essential services? What jobs will my children have, and will they have somewhere decent to live? And many more, great and small.

These concerns unite workers across Britain, from Cornwall to Shetland, in cities towns and villages. They unite us, the vast majority, because we depend on our ability to work in order to live. And it's our work which creates the value and wealth of the nation.

Those fundamental economic truths are what it means to be part of the working class. You can deny or ignore them, but that won't change reality.

Berthold Brecht (1898-1956) wrote a poem which captures this, *Questions From a Worker Who Reads*; it opens:

*Who built Thebes of the seven gates?
In the books you will read the names of kings.*

Did the kings haul up the lumps of rock?

Workers don't have control over the decisions that affect them and how their labour is used. They do not have control over which industries are closed and moved abroad and which stay for now, not over investment – and not over migration, which undermines wages and lets employers avoid training and skill development.

Capitalists, the ruling class, would have us believe that they are the source of wealth. And that workers are no more than an inconvenient necessity, to be dispensed with if at all possible. The great potential of technologies old and new, from electrical power to AI, is used to marginalise and undermine workers and not to enhance life.

Being part of the working class matters because it's only through action together, acting as a class in our common interest, that we can begin to answer those questions.

Workers' experience should tell us that parliament – along with all the devolved

assemblies, councils, mayors and so on – is not the answer, no matter who you vote for.

Governments are not truly in control of the economy either. They simply seek to manage it for finance capital. How else do you explain policies like mass migration, net zero and the sale of key industries to foreign owners? And above all now, the drive to war.

An emphasis on industry and production, on building and developing them in Britain, has the potential to unite the working class. This isn't a nostalgic wish to return to the past. To deny the need to make goods, grow food and so on is denying reality. As is the thought that we cannot or should not do so here in Britain.

The idea that workers are only those who use their hands, and they need to be told what to do is false. It is perpetuated by the ruling class and those who serve them – and it mirrors what slaveowners thought about their slaves in the past.

The truth is that all workers live by hand and brain – whether stonemasons in ancient Egypt or Rolls-Royce aerospace engineers. All workers act and think, at work and outside it. We can't change the reality of being working class, but we can embrace it and think about how to change the world, starting with Britain. Brecht titled that poem as he did for good reason.

And shortly after World War Two, Brecht also wrote about nationalism in his native Germany. In response to corruption by the Nazis of the poem which became their national anthem, he wrote his own. It ends:

*And because we'll make it better
let us guard and love our home
Love it as our dearest country
as the others love their own.*

Calling for a revival of industry, production and services in Britain isn't calling for the impossible. In the end there is no choice but to do that. The government and the ruling class may take the working class for fools, but we don't have to believe them.

No to war! Rebuild Britain! ■

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