



## POST OFFICE, TREASON AND PLOT



**OURNAL OF THE COMMUNIST PARTY** 

# WORKERS

## **C** First thoughts

THE LIKUD PARTY'S vote against ever establishing a Palestinian state reveals the real US policy. The US and Israeli governments absolutely refuse to allow the Palestinian people to exercise their right to set up their own state. They are deliberately sabotaging not just this summer's proposed peace conference but all hope of a peaceful and just settlement in the Middle East.

The US and Israel are backtracking even on the limited offer made at the 2000 Camp David talks: Palestine was offered just 46% of the remaining 22% of Palestine; Jerusalem was to be the 'eternal and unified capital of Israel'; and the settlers' road network, Jerusalem's illegally extended boundaries and the 10-mile buffer

zone around the West Bank were not for negotiation. This was the deal the West's governments denounced Arafat for refusing — a refusal that even now Israel throws is his face!

It should now be clear to everybody that Israel's war is not one of national survival: Israel's existence can hardly be under threat because it has an estimated 200 nuclear bombs, and even one such weapon is an absolute deterrent against national destruction. Nor is Israel's war a part of the war against terrorism, although Hamas is using terror tactics against Israeli workers.

In reality, Israel's aim is to destroy by force the very possibility of the Palestinian people exercising national self-determination.

## Second opinion

SO BLAIR would be "proud" to be the prime minister responsible for ditching the pound and taking Britain into the euro? So he says. But for all his bluster, he is still showing timidity about calling a referendum. His private pollsters tell him a referendum would be "winnable", but he is too much of a coward to take such a political risk yet.

The fact is that the European Union desperately needs Britain. It needs our oil, it needs our fish, it

needs our wealth, and its fading currency desperately needs an infusion of British support.

Meanwhile the election of a wave of conservative governments across Europe gives the lie to the myth the Europe is somehow more progressive than Britain.

A referendum? Blair needs to hold one. Brussels needs us to hold one. We don't need one.



WORKERS is published by the Communist Party of Britain (Marxist-Leninist), 78 Seymour Avenue, London N17 9EB www.workers.org.uk ISSN 0266-8580 Issue 51, June 2002

WORKERS is published monthly. The next issue will be July 2002.

## Contents – June 2002

News

Londoners fight for pay, p3; Victory for Newham UNISON, p4; A farewell to England?, p5; News Analysis: Venture capital and the nurseries, p6

03

Features

Joined-up thinking on the NHS, p6; Testing times for education, p8; Post Office, treason and plot, p9; Fighting the Private Finance Initiative, p12

06

Historic Notes

The assault on Korea, p14



COUNCILS	London Weighting strike
EU	Slapping down Portugal
NEWHAM	Union defence victory
YOUTH WORK	Asserting control
NHS	Pay settlement
PRIVATE FINANCE	Mounting bills
REGIONS	A farewell to England?
EDUCATION	Exam season
EVENTS	May Day meeting report
NEWS ANALYSIS	Capital invades nurseries

## London workers in pay fight

55,000 LONDON UNISON members engaged in strike action on 14 May in support of their claim for an improved London Weighting Allowance. Action varied across the capital reflecting differing levels of organisation and membership density.

Newham, for example, saw the sustained and widespread closures of schools, libraries, central units, social services, housing benefits, refuse collection, street sweeping, the Town Hall and the telephone reception unit. Pickets were on duty from the early hours of the morning covering all the depots and offices.

This first official strike embracing all Borough workers was well-supported, reinforcing to the employers that UNISON will use its organisational strength, irrespective of the Council's political make-up. Apart from one independent, Newham sees itself as flagship New Labour.

The march and rally at the TUC, though attracting over 3,000, was marred by the hijacking of the event by the ultra-left. Why invite a demagogue from Newcastle-upon-Tyne to harangue a London dispute? The real exercise of power was in the workplaces and borough centres. The mandatory march and rally gave those without genuine roots the opportunity to shout and bawl, showed the real divide between workers genuinely concerned about their services and livelihoods and the posers.

UNISON took the clear decision that to fight for London Weighting, instead of rolling it in with the national pay claim, would unify its London membership around a dispute which members would identify with, which was exactly what happened. The GMB and TGWU, which have a small membership in local government, linked the demand with the pay claim, a divisive tactic which attempted to undermine UNISON's clarity. The issuing of GMB leaflets claiming that UNISON's dispute had been called off was scabbing of the worst order and could only have helped the employers.

But taken as a whole, say activists talking to WORKERS, it was a very positive day which will be followed by further action. It has demonstrated where the rust and rot is in the organisation and where the diamonds of good branch organisation and clear class leadership are.

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

### **EVENTS**

### May Day meeting

THE COMMUNIST PARTY (CPBML) held its annual May Day rally on 1 May in the Conway Hall, London. There were speeches, music, food and conversation, all in celebration of International Workers' Day.

The first speaker talked about her experience and her hopes for the future: "I may be a grandmother," she said, "and I have witnessed a world of brutality, of war and of warmongers, of destruction of community, of destruction through greed and stupidity of the brilliance of labour — both of hand and of mind. But in my mind's eye I am a young woman and I see the world as a beautiful place. A place of great abundance, of great potential, of a human spirit never ceasing to rise above this cesspit of capitalism."

The second speaker, who works for a trade union, went back to the origins of May Day in Chicago o years ago to examine the difference between individual acts of terror and workers' collective action.

His speech covered issues such as the European Union, immigration, asylum. "We do not believe in the concept of race," he said. "If there is such a thing, there is only the human race.". Turning to the ideas of communism, he said: "We are seen as old fashioned, a foreign thing of the past. In reality, communist ideas are very new. We do not genuflect to 2,000-year-old writings as the capitalist states do."

Next year's London May Day rally will take place on 1 May 2003.

## YOUTH WORKERS

## **Asserting control**

THE COMMUNITY and Youth Workers Union held a successful conference between 25 and 28 April. It was by far the best attended in the union's history and will probably prove to be its most significant yet in terms of the rights of the workers it represents.

Conference overwhelmingly supported motions proposed by the union's leadership enabling new inclusive structures and an equal rights committee, which together will allow the union to focus on the equal rights of all rather than just a few. It will also allow the union to reassert the principles of trade unionism and take on important issues with the employers, rather than looking inwards at its own practice and engaging in fights within the union itself.

The last few years have seen rapid growth in youth, community and play work and the introduction of two new employment sectors, namely mentors and personal advisors. The conference mandate clearly recognised these new sectors and agreed to campaign around terms and conditions as well as professional standards and training.

The union has now become one that can unite behind all its workers and argue for better terms and conditions, improved pay and increased recognition. In supporting the restructuring of the union the membership regained control from a system which allowed undemocratic caucuses, run by a minority, to manipulate policy in their own interests.

Besides reasserting control, the union engaged in much serious debate and made a number of critical policy decisions. Historically, salaries of youth and community workers were comparable with the teaching profession. When control of teachers salaries was handed to the School Teachers Review Body one could have expected that it would be teachers' salaries that would fall behind those of youth and community workers who still have their own negotiating committee.

In reality it is the salaries of youth and community workers, who often work with our most excluded young people and with communities suffering extreme stress, that have fallen behind those of teachers. The conference unanimously supported motions calling for parity with teachers' salaries to be reintroduced and gave a clear mandate for whatever action is necessary to achieve this.

Together as one union that recognises the rights of all, it is in a much stronger position to carry out this mandate.



Local government workers strike for improved London Weighting. Pictured here, workers from UNISON outside Newham Town Hall, East Ham, London. See story, page 3.

## Newham workers win

ON MONDAY 22 APRIL, 24 hours before the first of two strike days in Newham Borough to defend UNISON branch officers, the employers capitulated. This was a complete about turn after months of huffing, puffing and threats from the employers.

The employer's retreat was due to panic in the face of what was to have been a borough-wide stoppage, embracing all services. The recently knighted Labour leader of Newham, elected Mayor and newly appointed head of the local government employers association for London, would have had the acute embarrassment of strike action in his own backyard.

The calm and focused branch leadership have shown that the best defence against attacks on the union is to attack. Newham UNISON have underlined the basic reason why UNISON was established — to bring together all public sector workers to deal with stroppy employers. The clarity of the branch leadership in taking the issue to the members knocked out the defeatism of some in the union who believe the only response to threats is to run off to employment tribunals and the law.

Newham UNISON has shown the way. Now members are gearing themselves up for more action in pursuit of an improved London Weighting Allowance (see page 3).

### NHS

## Pay negotiations

UNISON announced on 9 May the outcome of health workerss consultation on 2002 pay negotiations in the NHS. The deal gives a pay rise averaging twice the rate of inflation, thus making a small step back towards better living standards. At this rate a halfway decent step may be made within the lifetime of a 20-year-old!

Manual workers got a 5.2% increase, with the lowest paid getting 6.5%. It was possible to achieve 7.6% for medical technical officers and for some dental auxiliary workers. Ambulance paramedics won a 32% increase in the paramedic allowance, not increased since 1994.

Overall the minimum increase is 3.6%, the same as for those staff, principally

nurses and midwives, covered by the Pay Review Body.

If these negotiations show one thing it is that the government is nervous about the potential strength of health workers. A pay increase twice the rate of inflation is only ever achieved because of workers' strength, or the perception of such strength by the employer. This year's agreement probably represents a mixture of both.

Of more concern though is why these negotiations took place at all. Three years ago a three-year pay deal was agreed, following which a long-overdue review of the entire NHS pay structure was supposed to have been completed.

Because the government is displaying its nervousness at the probable costs the review will bring, negotiations have stalled pending this year's Comprehensive Spending Review, expected in the summer. In other words, can they afford it?

## **PRIVATE FINANCE**

## Mounting bills

A MAJOR ARTICLE in the British Medical Journal of 18 May, by Professor Allyson Pollock and colleagues, showed how the Private Finance Initiative brings no new capital investment into public services and puts future generations into debt. It also displaces responsibility for planning services from government to trusts, hindering a coherent national strategy.

It greatly increases the cost of capital as a percentage of trusts' annual operating income. The cost of raising finance at North Durham, Carlisle and Worcester added an average 39% to the schemes' capital costs.

Higher costs caused a diversion of funds from clinical budgets: as a result, PFI-funded hospitals suffered 30% cuts in bed capacity and 20% reductions in front-line staff. So PFI is largely responsible for the 13,000 NHS beds closed since 1997.

• See "Are they taking the PPP?", p 12

## A farewell to England?

THE LONG-AWAITED white paper on regional devolution for Britain has been published. The proposed regions are the North East, the North West, the West Midlands, the East Midlands, Yorkshire and Humberside, East of England, the South East and the South West. Excluding the Greater London Region this would be the balkanised regionalisation of England.

There is nothing new in this. The regional boundaries were drawn up in 1994 when the Tories acquiesced to EU demands. The development agencies have been running amok in these areas since 1999, health authorities have re-drawn their boundaries to match the regions, even certain trade unions have been regionalising their structures. Local government has seen major re-structuring in 1974 and 1994 affecting counties and unitary authorities. All such re-structuring is about political skulduggery — shifting the electoral base to destroy your opponents. If a region is agreed by a referendum, then the county council goes.

What is new? The powers of the proposed assemblies compared with existing local government will be reduced and truncated. Democratic representation will be reduced by the introduction of cabinet style government. The key issue is that England as an entity disappears and that eight regions will emerge to sit on the EU Committee of the Regions.

John Prescott, who claims this as "the conclusion of a political dream I have held for decades", might reflect about what restructuring did to his own constituency, Hull. In May Labour lost control of Hull after decades of being in power. This was a direct result of the Tory fixing of the election boundaries in the 1994 break-up of Humberside.

### **EDUCATION**

#### Exam season

IT'S EXAM SEASON again in schools and the examination system is still in a mess. Last year there was uproar as exam papers were shown to contain serious errors, some students failed to get their results in time to secure a university place and schools cast doubt on the accuracy of some marking.

This year we look like being in for more of the same. Some students taking AS exams are being forced to drop subjects because the examination boards have failed to schedule them correctly and students are ending up with clashes and up to seven exams on one day. The boards are desperately short of markers and are considering the use of student teachers.

One of the main reasons for this failure to agree schedules is the fact that each

examination board looks after its own patch and is in competition with other boards. This situation cannot be allowed to continue. Over the past few years exam boards have merged and taken each other over, leaving a handful of powerful groups fighting for market share. The losers in this battle have been schools and their students.

Many feel it is time to assert control over these boards. Bodies such as OFSTED and the Qualifications and Curriculum Authority (QCA) seem incapable of acting.

There is likely to be a move to a sixterm year with students taking examinations earlier. This would mean students seeking a university place would know their results before applying. Few teachers have confidence that the present system can deliver this — all the more reason to act now and regain ownership of a public examination system which is failing in private hands.

## **EUROPEAN UNION**

## Slapping down Portugal...

PORTUGAL is the latest country to be ticked off by the European Commission for financial waywardness. Elections there on 17 March brought to power a Conservative government with a pledge to cut taxes. But to the EU what people vote for counts as nothing. Portugal is now being forced to raise VAT by 2% and local councils are forbidden to borrow money. The EU is also forcing some sixty or so publicly owned bodies to close down or merge with others.

According to the French newspaper LE MONDE, Portugal would normally have got out of the mess by devaluing its currency. But this is now not an option with the euro. So electoral promises are broken and people are being put out of work because of the single currency.

## **FAITH SCHOOLS**

#### Letter to Workers

THE NATIONAL SECULAR Society has written to congratulate WORKERS on the article on religious education published in the March issue ("Is it off to school, or off to church?"). The article described government policy as dangerous, reactionary and anti-working class. The letter reads:

WORKERS should be congratulated on its excellent and well-researched article on religious schools (April).

Teachers are at especial risk in such schools. The School Standards & Framework Act 1998 allows faith schools in many instances to employ teachers (or not) based on their faith (or lack of it).

It is unreasonable to privilege the religious in selecting teachers for maths or French for example. In many localities, state funded religious schools are the only educational employer, so these provisions could cause genuine hardship.

The National Secular Society sought to have the government remove this iniquitous discrimination during the passage of recent Education Bill and consultation over the enactment of European Directive No. 565 which is supposed to combat discrimination in employment. The government has resolutely refused to change its stance in both cases.

With best wishes Keith Porteous Wood Executive Director National Secular Society kpw@secularism.org.uk www.secularism.org.uk

**JUNE 2002 NEWS ANALYSIS** 

## Venture capital goes to nursery

THE INVESTMENT HOUSE Alchemy, which tried to buy Rover last year, has bought Just Learning, one of the largest private nursery groups in Britain, for £22 million. This is not the first incursion of the City into nurseries: most of the ten biggest nursery chains are now owned by venture capitalists, the result of government policies that fly in the face of educational evidence but fit well with the ideology of the market.

Leapfrog, the second largest private nursery provider in the country, which was set up four years ago and now owns 34 nurseries with a further 25 in the pipeline, is to float on the Stock Exchange. Joint owner Derek Mapp, a former pub chain boss, said that the business offered "highgrowth potential with strong asset backing and a predictable business model in the education sector".

In other words, investors are on to a

sure winner.

### State sector

In the state sector, many nursery schools are housed in poor buildings, especially those which began as wartime munitions workers' nurseries, and are often seen by cash-strapped education authorities as unnecessarily expensive candidates for closure. High quality nursery education is relatively expensive, because it requires specialist teachers and nursery nurses (private nurseries rarely employ teachers).

The government's own recent EPPE research (the Effective Pre-school Provision of Education) has shown that state nursery schools provide easily the best form of early provision.

This is cost effective in raising the educational achievement of children, and has considerable benefits for children's welfare: for every £1 invested by government in quality nursery education, an estimated £7 is saved in the long term.

Yet the state sector is not where the expansion is taking place, while private care and education of young children has become big business.

### After the vouchers

After the demise of the infamous nursery voucher scheme, the Blair government has poured huge sums into funding the expansion of places for young children much of it going into the private sector with Lottery money (New Opportunities Fund) aimed particularly at the under-

Private companies can cash in on revenue and capital grants, and planning authorities are required to look favourably on applications for nursery development, resulting in the private nursery chains holding valuable assets in their buildings

"The thigh bone is connected to the hi NHS is connected to other services and whole. Not that you would notice it fro

## Joined-up thinking on the I

"WHAT IS THE CHANCELLOR banging on about NHS, NHS, NHS - the NHS is not an island. More money for the NHS when everything else is left to rot is a pointless exercise." So spoke an exasperated nurse at a recent union meeting at a North London hospital while union leaders publicly welcomed the increased health expenditure in the Budget.

The nurse then went on to outline her thinking. It is very simple: the quality of the NHS and its productiveness cannot improve without the training and retention of appropriately qualified staff. On paper in the NHS Plan that is what the government intends to do. For example medical schools are being asked to train 15,000 more doctors by 2008 and the number of extra nurses required is even higher.

But how can you retain staff in London, for example, when the public transport is so poor that those who have to arrive for the 7.30 am shift cannot arrive on time and those who finish the late shift at 9.30 pm stand and freeze at bus stops for hours? Improving the NHS cannot work without improving travel safety and reducing travel time to work.

### Where will they live?

And there is the matter of where health staff live. The selling off of hospital accommodation started in the Thatcher era continues with most student nurses having to find private accommodation for at least part of their training course. The Mayor of London is now planning for the erection of pre-fabricated buildings for "priority staff" in the public services. Improving the NHS cannot work without improving the availability of housing.

The immediate improvements required in transport and housing are unlikely, so NHS staff need significant pay rises just to stand still in terms of their standard of

John Appleby, director of the King's Fund, which analyses management issues for the NHS, has said that proper funding of NHS staff pay alone would erode most of the increased revenue the Chancellor has identified for the NHS. And then the extra 1p in the pound national insurance charge on employers will cost the public sector 1.2 billion and this in turn will eat the increased expenditure. Improving the NHS without making allowances for pay and National Insurance is simply a

### Training farce

Meanwhile government plans to train more staff are moving into the farcical realm. Simultaneous with the Budget pledge to train more medical staff has been the announcement of substantial cuts in the budgets of Britain's leading medical schools.

The combined Guy's, King's and St Thomas's Medical School is to lose 158 posts. Around 200 posts are to go at Imperial College and Queen Mary's, University of London.

The first wave of redundancies was "caused" by the merger of some of the medical schools. The latest wave of cuts is a result of reduction in the research grants to these institutions. Improving the NHS without funding education is a hollow claim.

One of the biggest drains on the NHS in London and elsewhere is the inappropriate use of NHS beds by people who should be discharged home or to residential care.

The budget did not address the deficits in local authority social care funds nor did it help the struggling nursing home sector. In fact the National Insurance increases will put

# p bone"...and the the the country as a method the Budget...

## NHS

extra strain on that sector which currently is leading to closure of homes. Improving the NHS without improving social care provision will not work.

And finally on a deeper level how can the NHS improve when all the factors that cause ill health remain or worsen? The nurse at the meeting gave the example of the sexual health clinics in London which are trying to deal with an epidemic in sexually transmitted disease. This problem is exacerbated by the lack of access to health facilities for the population of sex workers which has changed dramatically in the past five years.

As a recent TV documentary (MACINTYRE, BBC2) showed, London prostitutes are now mainly from Eastern Europe and 70% of them controlled by Albanian pimps. The pimps control the women by a reign of terror and violence and do not allow them access to health facilities — hence the epidemic.

## **Worrying trends**

On some health targets there are improvements but these disguise worrying underlying trends. For example there has been a dramatic drop in the number of deaths from heart disease, 13,000 reduction in two years. This is the result of better identification of those with the disease and the prescription of "statins" a new type of drug, which has been remarkably effective in reducing the death rate. But the incidence of people getting the disease remains just as high as ever as all the factors associated with heart disease such as poverty, unemployment and poor diet are still with us.

So while the Labour Party talks of "joined-up government" the reality of the supposed "budget for the NHS" is exposed as a disjointed populist gimmick.

Workers inside the NHS see clearly that they can only succeed with improvements outside the NHS. Workers outside the NHS should be saying that the health service needs education, industry and transport to make any difference to the health of the nation.



WORKERS 8 JUNE 2002

# Given all the opposition and all the evidence, why is the government so committed to the SATs?

## **Testing times for education**

AS CHILDREN all over the country have been subjected in recent weeks to national testing, Mike Tomlinson, the former Chief Inspector of Schools who stood down earlier this month, added his voice to the growing concern about the distortion of the curriculum — particularly in primary schools — that the tests have produced.

The test results are published in the infamous 'school league tables', now abandoned in Scotland, Wales and the North of Ireland, but still maintained in England. And in order to "do well" in the league tables, schools are under pressure to maximise their results by applying a narrow focus on the subjects to be tested, and by subjecting children to practice tests, and 'mock SATs' for weeks before the tests themselves.

Schools all over the country report young children becoming stressed and upset as they face the prospect of "failure", and report, too, of teachers feeling their own professionalism is being ignored by being forced to "teach to the test".

As the largest teaching union, the National Union of Teachers, says in its recent publication for parents, Not Good For Children, "Teachers use their own assessments and tests regularly to assess pupils' progress and needs and to adapt their teaching. Teachers test so that they can report to parents on their children's progress. Such testing is used to help teaching. But National Curriculum Tests (SATs) don't help teaching or children. They become the ends instead of the means."

So what is the source of the SATs—and why is the government so determined that they should continue, and continue to result in "league tables"? SATs are an import from the United States. And the underlying message of the league tables is that the problems that some children face in their education are bad schools and bad teachers.

In fact educational research

indicates that a major cause of problems in educational attainment lie outside of schools themselves. In a Britain increasingly importing goods from abroad instead of making what we need ourselves, one in three children live in households where nobody works. The indignity of families living a life on "benefits" can breed dislocated, decaying communities where children don't see the point in bothering about school. If society is left to rot — and workers themselves have a responsibility in this — what chance do schools have?

But far from tackling these conditions, the government has accused teachers of "whinging" when they point them out,

'In a Britain increasingly importing goods from abroad...where one in three children live in households where nobody works, what chance do schools have?'

and have told them not to use the children's lives outside school as an "excuse" for lack of educational success.

The government compounds their lack of concern for children experiencing these very real problems by planning the development of a two tier education system, with more resources going to schools that "do well", and proposing to develop different 'pathways' for children at 14 — the lower achievers being directed into narrow vocationalism, the others into academic studies and "fast track" systems.

It is not the tests themselves that are the main problem. These are probably not the best way to do it, but schools need to have measures of how well they are doing. The most destructive aspect of the testing regime is the publication of school league tables, based on test results, which are distorting the curriculum and detracting from teachers being able to exercise professional judgement.

In too many schools, the education of children has become a question of how to get the SATs results up. If targets are not met, the local authority will want to know why, because they have to meet their SATs targets to satisfy central government. League tables enable government to divide schools and local authorities into good and bad in the most superficial way. And children suffer the consequences.

Teachers need to spearhead a new deal for children, and can only do so by insisting that the underlying problems are directly tackled. And workers, including parents, outside schools must give their full support.

We need a national plan which links educational policy from nursery to Higher Education with a programme of post school vocational training and full employment — a real policy of national regeneration with education at its heart. But the Government, set on the path of fragmentation of the education system, and its agenda set by the deregulators and privatisers of the European Union and the World Trade Organisation cannot possibly accept such a policy.

So they continue to use tests to create failure and despondency amongst children, and as the basis to blame teachers and schools for the ills of the social and economic system itself. The question is, will teachers respond to the challenge? Just boycotting the tests as many suggest is not even half way to a solution, though it would be a start that would put the issues firmly on the agenda of the whole labour movement.

The clear political challenge is far greater than a simple refusal to administer SATs. Will teachers face up to these testing times?

JUNE 2002 WORKERS 9

# Privatisation of the Post Office seems to be a crucial part of this government's agenda. But resistance is growing...

## Post Office, treason and plot



Northampton postal workers take to the streets to marshal opposition to the attack on the Post Office.

AROUND 350 YEARS AGO private postal services were considered a threat, partly because they reduced the revenue of the state service and partly because they might be involved in treasonable activity, points stressed by the Act setting up the Post Office under Oliver Cromwell in 1657. Today, the postal service is being attacked by the twin threats of competition and privatisation, ideologies rooted in Europe and supported by this Labour government.

In March 2001 what had been known as The Post Office Group became Consignia plc, owned wholly by the government. Its three key areas are the Royal Mail, Parcelforce Worldwide and Post Office branches.

Consignia was established two years ago by the Postal Services Act, which changed the Post Office from a statutory organisation into a limited company. A so-called "independent" regulator, the Postal Services Commission (PostComm) was also set up to increase competition. The chosen consultants used to prove that competition works were Andersen, of

recent Enron fame!

The postal market has rich pickings to offer. It has annual sales of £8 billion and more than 220,000 employees. The market is still growing, despite the rise in electronic mailing. Much of the new market is in direct mail (or junk mail to many of us!). Address points in the UK have grown from 21 million in 1979 to 27 million now. The markets are out there, as the US experience shows: every person there gets on average 725 pieces of mail a year, while here it is only 324.

On the other hand, the employees come cheap. The basic wage of a delivery postman or woman is £250.53 against an average for full-time manual workers of £277.70. To earn a decent wage many do overtime and around 20,000 will do more than 48 hours a week. 60% work a six day week.

Not surprisingly there is a shortage of workers. This is one of the reasons for the recent announcement of the scrapping of 8 am collections from thousands of mailboxes. As the CWU (Communication Workers Union) says, the problems of low

wages and long hours must be addressed.

Since Consignia came into being, the march towards increased competition has gone on apace, with PostComm pushing ahead with "consultation" in 2001 and producing its proposals in January of this year.

The key proposal is a commitment to full market "liberalisation" by 2006 in three phases. The phases will gradually expose a greater and greater percentage of Consignia's revenues to competition. There is a commitment to a universal service, but only if Consignia becomes "more efficient". If it fails to achieve this, then more "commercial flexibility" will be introduced, which in practice means privatisation and rationalisation.

Consignia has been swift to take steps to "become more efficient". Having managed to take the Post Office into a loss, after it had ended the previous year in the black, it announced last October that thousands of jobs had to go in plans to cut costs by £1.2 billion in 18 months.

Continued on page 11

10 WORKERS JUNE 2002



## The WORKERS interview

WORKERS spoke to a Communication Workers Union branch officer in Northampton.

Question: How are the cuts announced by Consignia going to affect postal workers in Northampton?

Answer: We're losing a hundred jobs at our Parcelforce depot and another 150 at the Distribution Centre. Three Midlands sites including Northampton will be merged into one distribution site for bulk mail. We don't yet know where this will be. We are in negotiations over this at the moment.

Q: What other major changes will be happening in the postal service in the future?

A: A key change will be the move from two deliveries a day to one. The delivery span will change from two and a half hours to four. Postmen and women will have bigger rounds. There could be job losses.

Another real threat is the possibility of allowing a private company to purchase all the delivery vans and then leasing them back. This has great potential for causing disputes over pay and conditions of service, as any company doing this will try to reduce the wages bill. We are fiercely opposed to this privatisation of the fleet.

One thing you might notice is that Consignia has stopped Postman Pat being used in connection with advertising

One thing you might notice is that Consignia has stopped Postman Pat being used in connection with advertising or promotions. They are trying to disassociate the service from the emotional attachment the public has to the red vans, the traditional postie and the whole community side of things. They are preparing the public for a change of image — different coloured vans owned by companies for example. They are breaking down the idea of post offices as a public service — 3,000 urban post offices are going, which is a third of the total.

Q: What would the long-term effects be of introducing competition to the Postal Service?

A: Well, Sweden had a similar service to us. There, liberalisation saw the price of postage double and jobs go. The competition takes the cream, without the risk. We're arguing that problems in the Post Office are to do with underinvestment. We also want a couple of pence on the price of a stamp — in Europe only Spain has a cheaper rate. In Germany you'll pay over a pound for anything over 50 grams.

Q: Northampton Branch has been successful in defending its members for many years. Why?

A: We have a good strong membership and we take our responsibilities to them very seriously. There has been a problem with a hostile and bullying style of management, but now they have become more conciliatory as they know we will take on these issues.

JUNE 2002 WORKERS 11

Continued from page 9

This jobs massacre was applauded by Postwatch, the consumer watchdog which seemed unconcerned about the effects these cuts would also have on the consumer. This attack on postal workers was followed by an announcement in March of the closure of 3,000 urban post offices and 50 of Parcelforce's 151 depots.

These losses were variously blamed on poor industrial relations (although days lost through strikes have only ever accounted for 0.2% of days lost), spiralling operating costs and the fact that £400 million has been lost in revenue by holding down the price of postage stamps below the rate of inflation.

The unions have pointed out that before Consignia was created, the Post Office, under the old financing rules, was returning dividends to the government (£2 billion since 1998). The government is still insisting on this dividend, which is held in government gilts and could be given back as investment.

The union is also facing the possible outsourcing of vehicle services (see Workers interview, left). There are 40,000 vehicles in the Royal Mail and Parcelforce, and Consignia has not ruled out the possibility of a complete sell-off. Not only could this mean workers changing employer, with all the problems that entails, it would also strike at the heart of the union's organisation, with the possibility of an end to national pay and conditions of work.

The role of the EU is key to all these changes. The European Postal Directive will force the pace of competition. Member states can reserve areas of the service to their universal service provider to "protect" it.

At present Britain does not allow competition for items costing less than £1 or weighing less than 350 grams. The Directive will reduce the weight limit to 50 grams as well as the price limit to below £1. It also removes or reduces the postal services' monopoly over other areas of mail, such as cross-border mail and express services.

Further opening up of the market in 2007 will be considered — interestingly, PostComm wants to move more quickly

and proposes an absolute commitment to full liberalisation in four years or less.

The European experience has not been a happy one. With only partial liberalisation, Germany's workforce has still been reduced by over 30%. Postcomm has made much of the Swedish experience, where there was complete liberalisation from 1994. It is not really comparable to Britain in terms of its market size and therefore not as attractive to private companies.

There is still only one major competitor in the Swedish market, which has never made a profit. But prices have risen, Swedish Post now operates at a deficit, a fifth of the workforce were cut and a significant number of post offices have been closed.

## 'The role of the EU is key to all these changes. The European Postal Directive will force the pace of competition...'

The Directive says: "Such differences of approach carry the danger of distorting and destabilising the internal market. It is thus necessary to ensure further harmonisation towards market-opening, which is the trend implemented by a substantial number of member states." The more "harmonisation", the more the opportunities for our postal service to be snapped up by European companies.

Already there have been discussions with the Dutch company TPG, although these have fallen through. But experience in other industries such as water has shown that foreign companies are only too eager to "cherry pick".

Most have us have experienced the consequences of cherry-picking already, especially in areas such as bus services, where popular, profit-making routes are served and unprofitable ones are cut. The monopoly in postal services, blamed for every ill, in fact protects and subsidises the uneconomic but vital services, such as those to rural areas.

Competition from private companies is

not competition at all. The regulator has issued a provisional licence to Hays, a distribution organisation, to deliver mail in three carefully selected British cities. But all they want to do is pick up mail and deliver it to somewhere else in the same city. Such companies do not want to offer a national service, but as Billy Hayes, General Secretary of the CWU, has said, "If the regulator has his way, the vultures will be standing at the end of the station ready to seize the mail and pop it round the corner, thus earning a healthy profit."

The union is arguing that the model for the privatisation of BT and other industries is being used again. You cut investment, so the service deteriorates. You create a climate where the public might not defend the service. A regulator is then brought in to do the government's bidding and offer firms the chance to make some money.

In BT's case the main competitor was Mercury, who was also allowed to use BT's infrastructure. This classic model is being dusted down once again for the postal services.

So what should be happening? Many Labour MPs, unhappy with PostComm's suggestions, are arguing that the pace of liberalisation should be slowed to keep in step with European proposals. This is a dangerous tactic. The European agenda has to be rejected outright. A clear demand should be no to any further attacks on the monopoly of the Post Office. Alongside this should be a demand for government investment to fund a first class service. The money is there.

CWU workers around the country have been building campaigns, often alongside other threatened public service workers against privatisation. Their union has withdrawn half a million pounds' worth of support to the Labour Party. User groups need to oppose Post Office closures, which hit the elderly and those on benefits the hardest. Polls show that 75% of the population is opposed to competition in postal services and 89% would support a rise of two pence in the price of a stamp.

A victory in defence of postal services would strike a clear blow against the general principle of privatisation of public services and against a European agenda which only serves profit.

12 WORKERS JUNE 2002

# Under the Private Finance Initiative and the Public-Private Partnership, capitalists are going to be taking the taxpayer for a ride for decades — thanks to Labour...

## Are they taking the PPP?

LOTS OF PEOPLE, — left, right and centre — were persuaded by Blair into believing that there was a difference between New Labour, and Old Labour. Former Labour voters were invited back into the fold on the basis that we wouldn't have the same shambolic anti-trade unionism that haunted the last Labour government. Employers were told capitalism was safe, and unions were told that Labour had to be "New" in order to get re-elected.

In truth, people hated the Thatcherites so much that they would have voted for a dead dog as long as it was wearing a red rosette! Just like "Old" Labour, the "New" variety never did say that it would introduce socialism, so no change there then. In fact, it went so far as to make a virtue of its lack of aspiration, in what is perhaps the biggest single difference with the "Old" brand. It boasted of its intention not to change the Tories' spending plans for three years, and it has certainly stuck to this promise.

#### From PFI to PPP

Labour also said it would stick to the Private Finance Initiative (PFI), the Tories' biggest single stab at introducing private capital and managers into our health service. It not only stuck to this promise, but also developed it into a slightly modified version, modified to sound better, the Public Private Partnership (PPP).

Very "New" Labour. In fact the PFI had all but stalled under the Tories, and had to be brought back to life, Frankenstein-like, with Blair as the Doctor with the staring eyes, Milburn as Igor. Then on to Bride of Frankenstein, the PPP — same Doctor, Byers the droopy-eyed bride.

Supposedly the surge of electricity which would rehabilitate PFI was private capital — money that taxpayers would not have to pay, thus making the schemes cheaper. But why would the private sector put its hard-come-by cash into our collapsing hospitals? Because it wanted to prove it was a good guy really? No! It saw a fast buck, that's why. In exchange for 'taking the risk', it would be

ensured a profit around three times what it would be guaranteed elsewhere. But, you may ask, where would this profit come from if we taxpayers were actually saving from the use of private capital? Confused?

One of the other features of PFI and PPP is that the contracts with the private sector are to last for a number of years — 30 years in many cases. This far outstrips the three- to five-year deals previously on offer with Compulsory Competitive Tendering, the principal means of privatising services in both local government and the NHS.

These long contracts were given to private companies at their request. Stability was what they wanted, and that is what they have been offered with PFI/PPP. No more having to tender every three years — once the deal is done it stays done for a generation.

Of course, this means that there is a major casualty in all this — competition (on the grounds of which we were told all

'The PFI had all but stalled under the Tories, and had to be brought back to life, Frankensteinlike, with Blair as the Doctor with the staring eyes, Milburn as Igor...'

this was necessary). Competition, that Thatcherite panacea for all ills, is once more ditched in practice in favour of monopoly. This is where Frankenstein comes in. Just when it appeared that capitalism was dying, along came Thatcher with privatisation to breathe new life into many of the companies which would otherwise have keeled over years ago. What Thatcher started, Blair is continuing. Every time a contract, particularly one of these 30-year

monsters, is signed, a new lease of life is given to an otherwise dying creature. These creatures then become, zombielike, true supporters of their creator, ready with money for services rendered.

If unions are going to oppose PFI and PPP, they must see Labour for what it now is, a strengthening of our enemy, consciously attempted by a party originally created by us, by the unions.

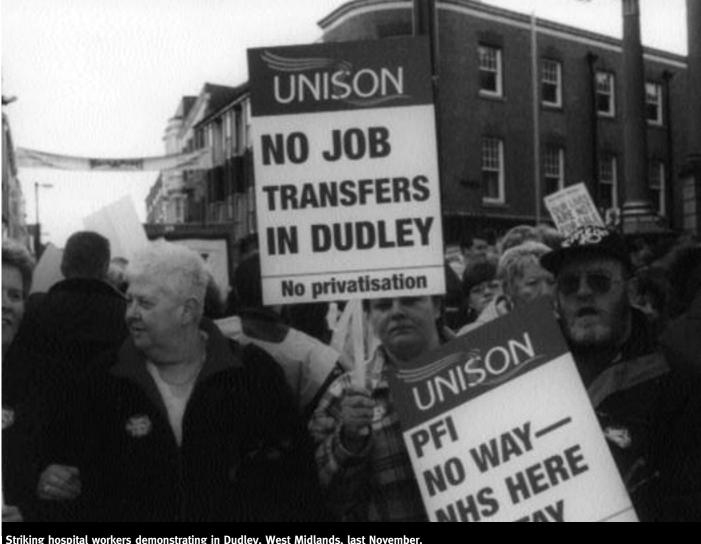
## Recognition

This is not to say that, when PFI/PPP deals are done, workers do not organise in them, do not seek to get trade union recognition and do not seek to make as big an inroad into their profitability through wage and other claims as we can. Workers do all these things. But it does mean that we should recognise the truth when we see it: these are hardnosed privateers out for big bucks, who are milking the public purse, money our parents' generation and we worked hard to put into public services.

But what of the claim that PFI/PPP will save us money and risk will be transferred to the private companies? It turns out not to be quite like this. Now that Railtrack has been taken into administration (another way of saying that the taxpayer will cover its losses), capitalists are screeching "betrayal" from the rooftops. In fact, this was perhaps the most positive single act of this government, recognising the necessity of taking Railtrack away from the capitalists who were "running" it, but now undermined by the decision to pay a form of compensation, £300 million worth, to privateers - otherwise known as shareholders.

It was these very same shareholders, representative of those who were supposedly going to inject all that private capital, who seemed to believe that there was no such thing as risk. That all they had to do was to invest, and a whacking great profit would follow.

What Labour failed to grasp was that its decision to take Railtrack into administration would undermine the very basis of PFI/PPP schemes. Indeed, it had



Striking hospital workers demonstrating in Dudley, West Midlands, last November.

the potential to undermine the very basis of privatisation. If the government was not going to let money-grabbers grab money, then the money-grabbers were going to lose "confidence" in it. Confidence in making profits, that is.

So if capitalists cannot be guaranteed as much profit as they can make, then they will not invest in these schemes. A government with the interests of its people at heart would have jumped on this opportunity and told the capitalists that we don't want your investment, it's cheaper if we do it ourselves, and we have more control if we do it ourselves.

Instead the government appears to have lost its nerve, and been spooked by the prospect of offending the class who really now own Labour, the finance capitalists. This is a dangerous omen for PFI/PPP. Just when UNISON had forged a potentially groundbreaking deal to prevent the transfer of health service staff into the private sector, thus holing PFI/PPP below the waterline, new life is again breathed into the tottering patient.

The UNISON deal was groundbreaking for two reasons. First, to prevent the transfer of workers to capitalist employers prevents the transfer of the surplus value their labour power creates. Capital has not forgotten, even if we have, that it is labour power, our working class skills and expertise, that makes their profit for them. Where we keep it out of their hands, we weaken them.

The second reason it was a crucial deal, was that it was opposed tooth and nail by the Trotskyites who want to see no progress made. Either we destroy PFI/PPP immediately, they said, or it is a sell-out. Of course, if PFI/PPP had been defeated immediately, the ultra left would have found some other reason to trumpet defeat, some other reason to attack the working class. Indeed, the only people who did attack this deal were the employers on the one hand, fearing their profits, and their supporters in the ultra left, fearing their fellow workers.

It may still be possible to forge ahead with this PFI pilot scheme, preventing the transfer of staff, but besieged by a government intent on kow-towing to capital, employers wanting their pound of flesh, and Trotskyites sharpening claws to stick unions in the back, no one should underestimate how difficult it will be for UNISON to pull it off.

At present the pilot sites in UNISON's London region of Barking, Havering and Redbridge, Queen Mary's Roehampton and Stoke Mandeville are where the battle will be fought out on the ground, and workers there will no doubt prove whatever needs to be proved to show

that workers should not be handed over like chattels to profiteers.

A big prize is at stake, though. Showing that we can prevent the transfer of workers into the hands of the private sector would be as big a blow as would have been the taking back of Railtrack into public hands. Victory in the PPP struggle shaping up in the London Underground would be made that much more straightforward, and an important step would have been taken in building the confidence that really matters, the confidence of the working class.

### Cooking the books

The primary objective of PFI/PPP is to keep what would otherwise be public spending off the public sector balancesheet. The sole purpose is so that the 3% target figure for public sector spending, which is needed to go into the euro, can be more easily met.

There is more than enough money in the public purse to fund all PFI/PPP schemes. Spending money in this way would free resources for investing in the re-industrialisation and re-skilling of Britain we so badly need, and which we can readily afford. The choice is clear.

We can provide a future for our children, or we can provide a future for capitalists. We can't do both.

# Fifty years ago British workers were fighting and dying in Asia — a conscript army sent to war to defend American interests...

## The assault on Korea

TOWARDS THE END of World War II it all seemed settled and simple. The United States, Britain and the Soviet Union recognised Korea's unity and independence at the Cairo and Moscow conferences. They pledged that no foreign troops would stay in Korea. Despite the pledge, the US kept forces in the south of Korea.

It soon became apparent why they

were there. In January 1950, General Roberts, the Head of the US Military Mission, said privately, "The campaign against the north has been decided upon, and the date for carrying it through is not very far off."

On 25 June 1950, Rhee, the South Korean leader, started the war, under the pretext of an invasion from the north Immediately, President Truman ordered US forces into war in Korea, under General Douglas MacArthur's command.

Truman was a great sender. He sent Rhee armaments and he ordered the Seventh Fleet into the Taiwan Strait between the mainland of the People's Republic of China and Taiwan — an act of war against China. He sent a military mission to Vietnam and sent arms to the Philippines. He also secretly sent arms to Tibetan rebels (although the USA had recognised Tibet as a province of China).

Labour Prime Minister Clement Attlee put Britain's Far Eastern naval forces at Truman's disposal. Land forces — conscription was still in force — followed. By 28 June, USAF planes were bombing roads, railways, industries and troops in North Korea.

China warned that she would not allow the north to be destroyed. The UN ignored the warning. On 7 October 1950, US troops invaded the north, threatening both its and China's northeastern frontiers. The US government believed that the war was won, and that they had now entered the 'mopping up' phase, just as they did in a whole series of subsequent wars of intervention, such as Vietnam. The next

Fought to a standstill: US troops in Korea, 1952

day, the Chinese volunteer forces started driving the US back.

Churchill told Truman that the USA should 'punish' China and gain more land in Korea. But he feared to sanction bombing China, "anticipating the outrage in Britain and the assault upon his government".

The aggression killed 2.5 million soldiers and more than two million civilians. MacArthur ordered his forces to "destroy every factory, city, village".

The USAF dropped more bombs on Korea than on all Europe in the whole of World War II. They dropped 7.8 million gallons of napalm. US Air Force General Curtis LeMay (later to threaten that he would bomb Vietnam back to the Stone

Age) boasted, "We burned down just about every city in North and South Korea both...We killed over a million Koreans and drove several million more from their homes."

US Army officer T. R. Fehrenbach wrote, "Day by day, night by night, over the long months and years, it levelled each city, each shop and factory and mine in North Korea." Fehrenbach wrote, "Bit by bit, Yongsan was being removed from the face of the earth, a fate which, tragically, was to befall almost every town and city within Korea during the coming months."

The American historian Bruce Cumings wrote that this war "was the worst of American postwar interventions, the most destructive, far more genocidal than Vietnam".

As in World War II, the US leaders thought strategic bombing would make ground

troops unnecessary, but as usual bombing was damaging, not decisive.

Western governments had the gall to accuse the Communists of respecting no language but force, of having no respect for human life and of committing the most appalling atrocities. But these were all projections: the Western governments

called diplomatic efforts to end the war Communist trickery.

When they briefly reoccupied the north, US forces also surrounded the southern city of Inch'on and let Rhee's forces in to slaughter 150,000 people. As Fehrenbach wrote, "Once Inch'on had been encircled, ROK [South Korean] Special Marines were allowed to enter the city to mop up. This they accomplished with such a vengeance that for a number of hours no man, woman or child of Inch'on, friend or foe, was safe."

By contrast the Chinese forces behaved humanely, for example, as the British Army Colonel Michael Hickey wrote, "The Chinese never knowingly fired on the Red Cross flag, nor did they interfere with the work of the medical orderlies and bearers."

### **Bombing the dams**

In July 1952 and May 1953, the USAF bombed towns inside China. Newly elected President Eisenhower ordered the bombing of all the hydroelectric and irrigation dams in the north — major war crimes. In spring 1953, he threatened to use nuclear bombs. The British government agreed to all this.

The American historian Burton Kaufman wrote that the US government "changed its stand on the armistice talks" and at last signed the armistice only under the "unrelenting" pressure of its allies to end the war and the "worldwide demand for compromise and peace in Korea".

Fehrenbach summed up the Chinese success: "They would fight, in their own way, in their own mountains, and they would inflict upon American arms the most decisive defeat they had suffered in the century." They "fought the world's greatest power to a standstill". Their forward defence of Manchuria shielded it from attack and kept the war limited. They defeated US plans to occupy all Korea, saved the PRC from invasion — and prevented World War III.



We in the Communist Party of Britain (Marxist-Leninist), and others who want to see a change in the social system we live under, aspire to a society run in such a way as to provide for the needs, and the desires, of working people, not the needs and desires of those who live by the work of others. These latter people we call capitalists and the system they have created we call capitalism. We don't just aspire to change it, we work to achieve that change.

We object to capitalism not because it is unfair and unkind, although it has taken those vices and made virtues out of them. We object because it does not work. It cannot feed everyone, or house them, or provide work for them. We need, and will work to create a system that can.

We object to capitalism not because it is opposed to terrorism; in fact it helped create it. We object because it cannot, or will not, get rid of it. To destroy terrorism you'd have to destroy capitalism, the supporter of the anti-progress forces which lean on terror to survive. We'd have to wait a long time for that.

We object to capitalism not because it says it opposes division in society; it creates both. We object because it has assiduously created immigration to divide workers here, and now wants to take that a dangerous step further, by institutionalising religious difference into division via 'faith' schools (actually a contradiction in terms).

Capitalism may be all the nasty things well-meaning citizens say it is. But that's not why we workers must destroy it. We must destroy it because it cannot provide for our futures, our children's futures. We must build our own future, and stop complaining about the mess created in our name.

Time will pass, and just as certainly, change will come. The only constant thing in life is change. Just as new growth replaces decay in the natural world, this foreign body in our lives, the foreign body we call capitalism, will have to be replaced by the new, by the forces of the future, building for themselves and theirs, and not for the few. We can work together to make the time for that oh-so-overdue change come all the closer, all the quicker.

Step aside capital. It's our turn now.

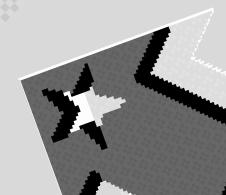
## How to get in touch

- \* You can get list of our publications by sending an A5 s.a.e. to the address below.
- Subscribe to Workers, our monthly magazine, by sending £12 for a year's issues (cheques payable to Workers) to the address below.
- Go along to meetings in your part of the country, or join in study to help push forward the thinking of our class.
- You can ask to be put in touch by writing or sending a fax to the address below.

### **WORKERS**

78 Seymour Avenue London N17 9EB

www.workers.org.uk phone/fax 020 8801 9543 e-mail info@workers.org.uk



## Back to Front – Couldn't give a monkey?

'The media were bemused; national politicians subdued. They'd all been rejected in one place or another...'

THE NORMAL COSY three-way relationship between England's parliamentary parties was thrown into turmoil after May's local elections as the population, faced with three increasingly similar main political parties, stayed away in droves, or decided to try something new.

In the late 18th century, the good citizens of Hartlepool hanged a shipwrecked monkey from the mast of a fishing boat having mistaken it for French sailor.

This year, they hung out to dry Peter Mandelson, local MP and architect of the new mayoral system, by electing "H'Angus", a local man in a monkey suit.

Just down the coast in Middlesbrough, they elected "Robocop" Ray Mallon, who had previously been hung, drawn and quartered by national and local politicians for his anti-crime measures.

Elsewhere, the local "hospital" party in Kidderminster recorded resounding successes to follow the election of their MP last year, and now control the Wyre Forest council.

In Surrey, local residents' representatives now run the council in one town.

The media were bemused; national politicians subdued. They'd all been

rejected in one place or another and Blair's Labour, who are itching to ditch local councils in favour of Eurostyle regions, were visibly rattled as the mayorals didn't go to plan at all.

Dismay is expressed against the "rise" of the extreme right by Blair and counterparts. But what must be remembered is that, when it suits them, these same guardians of "democracy" have been quite happy to lever into power the most vicious nationalists and fascists — in Croatia, Kosovo, Albania for example — without any qualms.

As the widow Moseley (a genuinely unreconstructed 1930s Nazi) said in her Radio 4 interview from Paris, she wouldn't be voting for Le Pen because he was merely a nationalistic Frenchman. Le Pen did not share the dream of a Greater Europe which had always been the aim of Adolf Hitler. Hence, she would vote for Jacques Chirac, who did.

Kicks against the pricks all over the place, including Burnley. Not enough to upset the applecart but enough to introduce a little shake and shudder as the countdown to the real test on the Euro begins.

Now, that really could and should cause a surprise in Hartlepool if it is "Non".

## **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 £12.

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. (5op 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.