

WORKERS

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HISTORIC NOTES



14

THE DAY THE
ARMY WAS SENT
ONTO THE
STREETS
OF GLASGOW

THEY SAY DEFENCE, THEY MEAN WAR



Lindsey The spirit lives on | 06



Change Britain Embrace your Party | 09



Energy supply Mind the gap | 12

WORKERS

“ Embrace your party

IN NOVEMBER the Communist Party held its 15th Congress since its founding in 1968. It had to consider not only the dire position of the working class – and anyone who denies that denies reality – but also how we are to escape from that position and reclaim our country for ourselves.

The results that thought are published today in *Workers* (p9), and they boil down to two very simple propositions.

The first is that we must focus on Britain. Imperialism is wreaking havoc around the world, and struggle ebbs and flows across

countries and continents. But unless we deal with the problems that we have allowed to fester in Britain, we will be of no use to anyone else. Our battle is at home. This is our nation. Our solidarity must be one action against our own employing class.

The second proposition has always been hard for British workers to accept, but it's true nonetheless. It is that only with an organised Communist Party at its centre can the working class liberate Britain. We in the CPBML intend to face up to the challenge, and we encourage all honest workers to join us in that task.

What's right is right

NO OTHER country in the world treats its own people in the way that happens here, allows its industry to be decimated and washes its hands – treachery hardly begins to describe these acts. The results are plain for all to see (see “Lindsey comes to London”, p3; and “The spirit of Lindsey lives on”, p8).

If people know that British Jobs for British Workers is the right demand, yet fear the connection with the BNP, why is there a blatant refusal simply to tag on at the end “and NO to the BNP”?

In truth, the real demand is for the employment of British workers on British sites – and that no British engineering construction worker should languish on the dole while foreign workers continue to be imported onto our projects. Fear of being accused of being racist or xenophobic allowed that message to be blunted, with the GMB making the focus of their propaganda the “underpayment of British workers”.

But the British people know what is right. Time now to assert it boldly.



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Contents – March 2010

News

Lindsey comes to London, p3; Leeds lecturers fight job loss, p4; Scots to rally against cuts, p5; News Analysis: Commercial property – the next big crisis, p6

03

Features

They say defence, they mean war, p6; The spirit of Lindsey lives on, p8; Energy supply: mind the gap, p12

06

Historic Notes

The day the Army was sent to the streets of Glasgow, p14

14



CONSTRUCTION	Lindsey comes to London
CIVIL SERVICE	Fair for all?
UNIVERSITIES	Leeds lecturers fight
SHIPPING	Race to the bottom
EDUCATION	Scots rally against cuts
UNISON	Members keep control
EUROPE	The no-growth zone
EUROBRIEFS	The latest from Brussels
NEWS ANALYSIS	Commercial property crisis
WHAT'S ON	Coming soon

Lindsey comes to London

Photo: Workers



MEMBERS OF the GMB and Unite converged outside Parliament on 3 February to oppose discrimination against British workers and the attempts to undermine the National Agreement Engineering Construction Industry (NAECI) – Blue Book. The demonstration was given “official” backing by the GMB but eschewed by Unite. Those protesting included some who were finding themselves jobless after 25 years’ experience as well as those sacked for union activities.

It was also the anniversary of the Lindsey oil refinery (LOR) protest in Lincolnshire in 2009 and the public exposure of cheap labour imported from Italy and Spain, Poland and Portugal.

A further focus of the demonstration, as reported in last month’s WORKERS, was the

employer’s skulduggery that had been exposed at Staythorpe, near Newark, Nottinghamshire (see p6). Italian subcontractor Somi was caught surreptitiously undercutting UK rates by as much as £1000 a month per worker. As usual, it was described by the main contractor, French multinational Alstom, as a mistake (yet another) and as with LOR, Mandelson denied it was taking place. But the GMB will not be fobbed off and wants Somi kicked off the site.

After demonstrations at Alstom’s headquarters and outside Mandelson’s department, where letters containing examples of workers being underpaid both at Staythorpe and at LOR were handed in, Paul Kenny, general secretary of the GMB, addressed the gathering.

Kenny promised the full support of the GMB and said they were ready to lead a national dispute to “regain the control of our industry which we should have”. He admitted that the GMB had not at first realised the significance of Lindsey, but now he said “The sheep are rearing up”. He dismissed objections on the grounds of free movement of labour, insisting that, “official” or “unofficial”, it doesn’t matter – the point is to stand and fight, or nothing would ever get done: “When the politicians won’t change, we have to change them.”

CIVIL SERVICE Fair for all?

GOVERNMENT WORKERS are not impressed by the promise of “a future fair for all”. In April 2009 the prime minister declared that their redundancy agreement in place since 1987 was too costly and would be replaced to save up to £500 million over 3 years and to ensure fairness for the taxpayer.

Unions representing just under half a million civil servants and government industrial workers challenged these new unilateral terms. Payouts would be significantly lower at a time when redundancies are expected. Other attacks on conditions are happening too – pay increases are threatened by Labour competition with the Tories to cut public expenditure.

Direct consultation by the government last autumn saw overwhelming opposition to the proposals. On 2 February five of the unions reluctantly accepted revised terms, including a framework for avoiding compulsory redundancies. PCS, the largest union, has not accepted. It believes many members will suffer and that it can win better terms. A ballot for action will be followed by a lobby of MPs on 3 March.

TRADE DEFICIT Leaping up

BRITAIN’S TRADE deficit leapt from £6.8 billion in November to £7.3 billion in December, as imports far outstripped exports. Imports rose by 5.2 per cent to £28.2 billion. City “experts” got it wrong again, as they had forecast that the gap would fall to about £6.6 billion.

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

EUROBRIEFS

The latest from Brussels

EU + windpower = rising bills

ELECTRICITY USERS pay over £1 billion a year to subsidise wind farms and other renewables. A government scheme, known as the Renewables Obligation, forces energy companies to fund green energy. Users pay higher bills both directly and indirectly, where industrial electricity users pass on their costs. European companies will have to invest about a billion euros to meet the EU's target of 20 per cent of energy from renewables by 2020 while cutting greenhouse gas emissions and replacing ageing infrastructure. Britain now has to source up to 40 per cent of its electricity from renewable power, mostly wind. Ofgem, the energy regulator, says the average annual bill in Britain could rise by 60 per cent, to £2,000, by 2016.

EU + biofuels = deforestation

A REPORT from the Renewable Fuels Agency suggests that biofuel use may speed up the destruction of rainforests and cause more greenhouse gas emissions rather than less. The EU Biofuels Directive says an increasing proportion of biofuel must be added to diesel and petrol. Oil companies have exploited a loophole to avoid reporting the origin of almost half the biofuel supplied last year. They have used palm oil, one of the cheapest fuels, but probably the most environmentally damaging.

The IMF estimated that 20-30 per cent of the global food price spike in 2008 was due to 125 million tonnes of cereals diverted into biofuel production. The EU biofuel industry has already received 3.82 billion euros in incentives, subsidies and tax relief – and this could triple if the EU meets its 2020 target.

Bring out your badges

Do you have any old labour movement and political badges in odd containers and drawers? Put them to good use and send them to the CPBML – we'll sell them at labour movement events during the year to raise money for the Party. Please send them to:

Badges
78 Seymour Avenue
London N17 9EB



Homemade student banner supporting the faculty action at Leeds University.

Photo: Workers

Leeds lecturers fight job loss

ACADEMICS AT the University of Leeds are preparing for three days of strike action as part of their campaign against threatened compulsory redundancies in Biological Sciences and a £35 million cut across the university which would mean hundreds of job losses.

The campaign took off when the university announced in November it needed to slash next year's budget ahead of the looming government cutbacks in funding of Higher Education. Every School in the university was told to start looking for cuts in budgets of 10 per cent. A cut of this dimension across the university would mean a loss of up to 700 jobs. The Faculty of Biological Sciences has been targeted for cuts during the whole of last year, along with the School of Health Care, and together they have already lost 54 jobs. Now they will not rule out making people, including key professors, compulsorily redundant in the latest round of restructuring, forcing all staff in Biological Sciences to apply for a new set of posts, putting 20 jobs at risk.

The response by the University and Colleges Union UCU to this attack on Biological Sciences has been measured and organised. The Leeds University branch is one of the largest in the country. At the forefront of some previous national battles but this is the first time it has balloted for local action. The UCU's national leaders see the significance and put in extra resources to ensure a good turnout and vote in the ballot. Turnout was the highest in the union's history: 66 per cent with an overwhelming vote for action.

There was an Obama-style campaign, "knocking on every office door" to prompt people to vote, and online campaigns. One, by the full-time officers of the student union, who oppose the lecturers' action, organised a spam whereby any student clicking on a link to read their article had an automated message sent to their lecturer contacts urging them to vote No. This was exposed as illegal by UCU, and many students were outraged. It prompted several Facebook groups backing the strikes and there is now an active Students Against the Cuts movement. Leeds UCU has a fine blog, www.leedsucu.wordpress.com. Action begins with one-day strikes on 24 February, 2 March and 4 March, and a rally and march by union members from across the region in support of the campaign Defend Jobs Defend Education at 1pm on 4 March meeting on the university's Parkinson Steps.

ACAS-mediated talks have not succeeded in averting the strikes so far as the management walked out still refusing to rule out compulsory redundancies in Biological Sciences. Previously the union had called on the vice-chancellor, Professor Michael Arthur, to rebuild trust with staff by putting his plans for mass job losses on hold and by working together with the union to oppose funding cuts in higher education.

In a recent development Leeds University has put its overall cost cutting plans on hold following claims it broke key rules about how it is regulated. The investigation is to be headed, ironically, by Peter Mandelson in his capacity as the university's Visitor, or Lord President of the Council – a sort of ombudsman for the university. Lord Mandelson's intervention came just 24 hours after UCU announced its plans to take the industrial action. But the university has still not ruled out the possibility of compulsory redundancies so the strikes are set to go ahead.

SHIPPING**Ministers aid race to bottom**

MARITIME TRADE unions Nautilus and the RMT are jointly campaigning against proposals to undermine wage rates on British merchant ships. Government intentions to abandon any pretence at equality of wage rates between UK crews and overseas crews covered by EU regulations or economic areas associated with the EU (read old empires and colonies) are being accelerated by its unwillingness to challenge the shipping companies.

The message from the shipowners is simple: let us use unregulated low-cost labour or we re-flag the entire British merchant fleet abroad. Unsurprisingly the government has rolled over and welcomed not only cheap labour but the cheapest labour the ship owners can find.

Scots to rally against cuts

FOR WHAT is expected to be one of the biggest rallies for years on 6 March in Glasgow (see What's On), the largest teachers' union in Scotland, the Educational Institute of Scotland and the Musicians' Union are collaborating to denounce the raft of cuts to education budgets that are steadily coming into force in all local authorities. Police and Glasgow City Council this week insisted that the route be changed to cope with the numbers projected. As seen throughout Britain, teachers, college lecturers and parents are angry that children are to be made to suffer directly because of the financial failure of capitalism.

Ronnie Smith, EIS General Secretary, said people "will not allow their education system to come under attack as part of a misguided cost-cutting agenda – cutting back on education in order to prop up failed financial institutions is simply not acceptable". The £30 billion local authority spending budget is going to be cut by up to 14 per cent, damaging standards achieved over decades.

One of many examples where those involved – mainly young people – have fought against this trend is the campaign to save the much-loved residential educational facility at Castle Toward near Dunoon. For nearly 60 years it hosted outdoor activities, art and orchestral summer courses, only to face being sold off for a golf course, hotel and luxury flats. However, a vigorous campaign on Facebook has gathered nearly 5000 supporters. A march through Dunoon was actually prohibited by the Council last month, but the campaign is well on the way to success in forcing the re-opening of the institution. Many of these campaigners intend to be at the rally on 6 March to highlight their cause among many others.

UNISON**London members keep control**

UNISON MEMBERS in Greater London – "London for Change" – have voted in greater numbers for the interests of the membership as opposed to the interests of external political cliques, for a refreshing fifth year in a row at their February AGM.

Sweeping the elections at Unison's Greater London Region meeting, candidates rejecting the sectarian division

In another blow to British shipping Maersk, Britain's largest trainer of seafarers and one of the largest employers, has announced a 30 per cent reduction of training staff – despite a joint employer and trade union approach to the government in 2007 with proposals to restructure and improve seafarer training.

To date the government has not responded. Maersk has obviously taken this as a signal that the government has no interest in marine safety or skill. With 90 per cent of Britain's imports and exports still delivered by ship, this makes a mockery of safety, maritime expertise or even the concept of Britain being an island and maritime nation.

The government's abdication of responsibility for Britain's maritime past and future with a blithe acceptance of unskilled, untrained, and lowest-paid crews will undoubtedly lead to loss of lives and ships around Britain's coasts.

WHAT'S ON**Coming soon****MARCH**

Saturday 6 March, Assemble 10.30am, march 12pm

"Why must our children pay?"

March and rally, Kelvingrove Park, Glasgow

With the huge government debt leading to threats to impose massive cuts in public services – and savage cuts already taking place – the Education Institute of Scotland and the Musicians' Union are organising a campaign of action. More information at www.eis.org.uk

APRIL

Saturday 10 March, Assemble 12pm, march 1pm, rally 2pm

"Defending the welfare state and public services"

March and rally, assembling at Temple Place, Embankment and marching to a rally in Trafalgar Square. The state pension is under attack, unemployment is rising, the NHS is being slowly privatised, public services are facing cuts across the board. The event is supported by a raft of unions including Unite, Unison and GMB, plus organisations like the Child Poverty Alliance. For more information, see www.10410demo.co.uk

EUROPE**The no-growth zone**

IN THE last quarter of 2009, the eurozone's total economy grew by just 0.1 per cent.

Germany's did not grow at all.

Italy's fell by 0.2 per cent, Greece's by 0.8 per cent and Spain's by 0.1 per cent. Over the whole year, Germany was down 2.4 per cent, Italy 2.8 per cent, Greece 1.7 per cent and Spain 3.6 per cent.

The major capitalist economies, the USA, Japan, the EU members and Canada, are all hugely in debt, none more than Britain. If one adds up government, commercial and personal debt, Britain's debt was 220 per cent of GDP in 1990, 280 per cent in 1998 and 480 per cent in 2008. In 1998, the debt was only a bit more than other countries (except Japan), but by 2008 ours was the worst, equalling Japan's.

of ultra-left bullyboy tactics and false division over grounds of race and gender opened up a clear 2:1 advantage over their opponents.

This result shows great maturity among delegates. Thinking and acting as workers and trade unionists has thoroughly batted off the destructive behaviour of unrepresentative minorities. Unison members in London can now look forward to dealing with real threats from the employers or government without having a fifth column in a wrecking position.

Commercial property: the next big crisis



A CRISIS IS looming in the commercial property market both here and abroad. At present usually only reported in a low-key way in business pages or programmes, it seems likely to burst onto the scene in the near future, dragging the capitalist world deeper into depression and turmoil and causing untold suffering to workers. This commercial real estate crisis will pose further risks to an already unstable capitalist financial system and illustrate that its current financial crisis is nowhere near the end.

Over the next five years, about \$1.4 trillion in commercial real estate loans will reach the end of their terms and require new financing in the USA alone. Nearly half of these are “underwater”, meaning the borrower owes more than the property is worth. A similar situation exists in Britain. Commercial property values in the USA, Britain and elsewhere have fallen more than 40 per cent since their 2007 peak. Vacancy rates are up and rents are down, further driving down the value of these properties.

Exposure

There is a huge exposure of the banks to losses from commercial loans coming due in the next two to three years. Many of the problematic commercial mortgages were written at the peak of the property boom. Since then, the economic downturn has caused small businesses to fail, with shops and offices falling vacant. Many loans will inevitably be written down as losses, since the property valuations no longer support the outstanding debts. Of America’s 8,100 banks, 2,988 have potentially dangerous exposure to commercial property loans. The same applies to many British banks.

The impact could prompt further economic depression and cause a further squeeze in the availability of credit to businesses. Without new financing, properties face foreclosure, banks face insolvency, and businesses and renters in those properties face uncertainty. When commercial properties fail, the result is a downward spiral of economic contraction: job losses, deteriorating store fronts, office buildings and apartments, and more bank failures.

Defaults on residential mortgages played a key role in sparking the current financial crisis. Commercial property loans have taken longer to go sour but are emerging as an intractable problem for capitalism.

In the financial crisis of 2008-9, capitalist governments landed taxpayers with the bill incurred underwriting the toxic debts of the residential and real-estate sub-prime bubble. Are they going to hand over vast sums to protect against this larger, looming crisis? Isn’t capitalism proving too costly for workers? Shouldn’t we aspire to ditch it?

Deep in debt, Labour is still planning to spend millions on aggression...

They say defence, they mean war

IN THE government’s Green Paper, “Adaptability & Partnership: Issues for the Strategic Defence Review”, the Defence Secretary admits in his Foreword that “There is no external direct threat to the territorial integrity of the United Kingdom.” Yet, in the same paragraph, he insists, “Our ability to project force to counter threats will remain crucial to our national security.”

The Paper says, “We cannot simply take a narrow, territorial-based view of our security. ... We also use our Armed Forces to protect others – as a Force for Good.”

Far from being a Force for Good, the USA and its allies, principally Britain, uphold by force the unjust world order under which we live, waging 60 such wars in the last century. They threaten and attack countries that assert national sovereignty – Bolivia, Burma, China, Cuba, Ecuador, Honduras, Iran, Lebanon, North Korea, Palestine, Somalia, Sudan, Syria, Venezuela and Zimbabwe.

EU role

While its whole approach is based on the alliance with the USA, the Green Paper also urges closer partnerships, especially with the French armed forces. It calls for a “robust EU role” in crisis management.

The government wants:

- a new generation of warships, including two 65,000-tonne aircraft carriers at a cost of £5 billion, and more support vessels, costing £30 billion;
- to keep troop numbers in the Army at more than 100,000;
- to commit a future government to the Joint Strike Fighter, costing £10 billion, and to complete the £20 billion Typhoon programme;
- an extra £1.5 billion for the war in Afghanistan. This war cost us more than £3.5 billion in 2009, and will cost us £5 billion this year. This all “comes over and above the Defence Budget”;
- a promise to safeguard military spending from any cuts this year; and
- * to replace Trident, at a cost of £20 billion.

This commits Labour to billions of pounds of extra military spending. The total military budget has risen steadily since 1999’s £28 billion to £32 billion now. The Ministry of Defence has already landed us with projects running £35 billion over budget and five years behind schedule.

Any government can only afford such sums by making huge cuts in civil spending. A government source admitted there would have to be ‘tough decisions elsewhere’.

Britain has total armed forces numbering 188,400. Where are the troops based? Germany still has 19,000, Afghanistan 9,500, Cyprus 2,700, the Middle East 1,800, the



The Labour government has shown no compunction about using troops as strike breakers in Britain.

Falklands 1,200, Brunei 500 and Gibraltar 300. There is also what the Green Paper calls "our classified operations".

The rest of the forces are based in Britain. The Blair government used the Army as strikebreakers in the 2000 oil refinery action, in 2001 against Merseyside firefighters and in 2002–3 against firefighters across Britain; up to 19,000 personnel were trained and at times deployed. Remember that after the Falklands war, the banner on a returning warship read, "Call off the nurses' strike, or we'll call in an airstrike."

The US military is stationed in 138 countries around the world. US troops have recently been deployed to new bases in Albania, Azerbaijan, Bosnia, Bulgaria, Croatia, Djibouti, Georgia, Iraq, Israel, Jordan, Kosovo, Kuwait, Kyrgyzstan, Macedonia, Mali, Pakistan, the Philippines, Poland, Romania, South Korea, Turkey, Uganda, Ukraine and Uzbekistan.

President Obama says that all US combat troops will leave Iraq by August. But between 50,000 and 70,000 troops will be staying "for the next 15 to 20 years" to guard the US-owned oilfields.

US troop strength in Afghanistan will

top 100,000 early this year, and there are another 50,000+ troops from "vassals and tributaries" (in Zbigniew Brzezinski's words). The USAF and RAF bomb Afghan children, Red Cross depots and refugees, and sometimes the Taliban. The UN says that US and Afghan government troops have killed twice as many Afghan civilians as the Taliban has. Civilian deaths are rising: 1,523 in 2007, 2,118 in 2008, to 2,412 last year.

US drone missile and helicopter gunship attacks into Pakistan are increasing. Drones fired into Pakistan have already doubled the numbers of civilians killed there.

The war on Afghanistan must be stopped, not because it is a war against terrorism, but because it is the opposite.

But our rulers want another war. US Senator Joseph Lieberman has threatened that "Yemen will be tomorrow's war." Former NATO Supreme Allied Commander Europe Wesley Clark said, "Maybe we need to put some boots on the ground there." US and British "advisers" are training Yemeni forces. US warplanes have already bombed a village in Yemen, killing 120 civilians and wounding 44. The pretext

for attacking Yemen is the attempted terrorist attack by a Nigerian on an airliner outside Detroit on Christmas Day – ten days after this US bombing.

Threats

The Chilcot Inquiry allowed Blair to abuse it as a platform to call for war on Iran. NATO calls for a "Free Tibet", which is a call for a US assault on China. Attacking the world's largest country and fastest-growing economy, would launch a world war.

Endless foreign wars militarise foreign and domestic policies, destroy civil liberties and waste billions, with no end to terrorism. The "war on terror" is self-renewing. The Ministry of Defence has admitted that the Iraq war is a recruiting sergeant for terrorism around the world.

If we instead practised non-intervention and peaceful cooperation, and respected other nations' rights to self-determination and national sovereignty, we would free billions of pounds to invest in our industries and social services, and we would reduce the terrorist threat. The only armed force we need to defend Britain is the British working class.

The rally in London was quickly followed by action at Staythorpe. Then the focus switched to Pembroke. Britain's engineering construction workers continue to set the pace...

The spirit of Lindsey lives on...



Photo: Workers

Engineering construction workers in London on 3 February to protest at the use of cheap foreign labour in preference to British workers.

FEBRUARY HAS proved to be a lively month in the engineering construction industry, demonstrating that neither the issues nor the workers will simply go away, despite attempts by “friends” and enemies.

The month began with construction workers from power stations rallying in Westminster on 3 February (see photo, above, and news report, p3). Then Staythorpe power station – a site run by French multi-national Alstom – again became the focus of attention when a strike by GMB members due to begin on 12 February was called off at the last minute when Alstom caved in to demands over redundancies.

But on the morning of 17 February the site was brought to a standstill as scaffolders struck in protest at the way a scaffolding incident had been handled by Alstom. It is illegal to tamper in any way with scaffolding unless you are qualified to do so – an act that traditionally sees the offender instantly dismissed.

It has been a feature on jobs run by Alstom that this rule only applies to British workers. Alstom allowed the offending

Spanish worker, not a qualified scaffolder, to continue on site while an “investigation” was undertaken, sparking the walk out. Alstom and the local police were caught unawares when the men left their transport some way from the entrance to the site, walking to the main gates and blockading access.

All workers employed by British contractors respected the picket line and caused miles of queuing traffic with the not-insignificant disruption lasting until the late morning.

After an HSE investigation, a Spanish worker was dismissed, and the men called off their strike. A GMB spokesman said the employer was clearly heading for confrontation, but the workforce was not prepared to compromise.

As WORKERS goes to print, the focus of the struggle has shifted to south west Wales, where Alstom is the main contractor for the new power station build in Pembroke. The mechanical engineering side of the job is due to commence within weeks yet there has not been a single advert placed in the local job centres. Disgusted with the continuing treatment of

British workers, a local grandmother, along with others, is organising a protest outside the site on the morning of 22 February (see www.bearfacts.co.uk for further details).

Facebook is also being used as a means of pushing the message out and goes under the name of GIVE THE BRITISH JOBS FIRST @ PEMBROKE POWER STATION, attracting over 2500 members already. And with BBC's Radio 4 programme YOU AND YOURS exposing that just 4 per cent of local people are employed on the Olympic project, the struggle is broadening and again engaging and challenging the people who can make the difference – British workers.

Footnote: It is reported from Yorkshire and Lincolnshire that although the government claims the recession is “technically over”, new figures released on 17 February show that this area of the country has suffered the steepest rise in unemployment anywhere in Britain in the past three months. With a quarter of a million local people on the dole, lives are in turmoil; household budgets and family relationships are stretched to breaking point.

CHANGE BRITAIN, EMBRACE YOUR PARTY

Political statement from the Communist Party, 15th Congress, London, November 2009

Introduction

Our 15th Congress is timely with events in Britain and around the world unfolding extremely rapidly. The British government and the capitalist class internationally want us to believe that the working class cannot change anything, everything is beyond our control. We think differently.

First focus on Britain because it is our place: we can change it but nobody else can. Exactly the same applies to every other country: only its people can change it. Also focus on the present because that is where we are: we can change the present and therefore we can affect the future, but only people living in the future will be able to change it. No one can change the past; everyone can learn from it. We need to see Britain in perspectives of time and space.

What have we learnt?

We can start with an appraisal of what we said before, the tasks we set ourselves. Were we on the right lines?

At our 13th Congress, we issued a challenge to our class. Capitalism is in terminal decline, what are you going to do? Go down with the ship or construct something from the wreckage and strike out for a future? We predicted this financial collapse. We indicted the EU before the workers of Europe as a monument to their own timidity and backwardness. We confronted the denial of responsibility which was all around us within the class.

At our 14th Congress we said the sheer speed of decay is breathtaking. Capitalism is a spent force. We also said the class will find solutions when it looks for them. People cannot survive without their material needs being satisfied, so production of goods will take place, which means a class of producers will exist whether capitalists like it or not. If they stamp out production in one place it will burst out somewhere else. Internationally the working class, the producers of goods, cannot be exterminated.

To the matter at hand: Britain. We have a deep and decisive crisis of capital maturing for over a hundred

years since the triumph of finance capital over industrial. There has been a gradual replacement of the industrial foundations of our economy with credit, promises and speculation which deliver a faster buck but are not load-bearing. This edifice will stand for a while but then cracks start to appear. Every government proclamation, initiative or policy is basically wallpaper to cover the cracks, which are everywhere. So it's been a long time coming. Which is not to say "the end is nigh", but the tremors are powerful and close together.

Actually, the struggle between finance and industrial capital goes back to the dawn of capitalism. The world's first stock exchange was in Amsterdam in 1602. Twenty years later, Tulip Mania was the first speculative bubble. Over the next 15 years, tulips became so popular that a futures market was created for traders to buy contracts to buy tulips before the bulbs had even been planted. Bulb prices soared without ever changing hands and within a year the market collapsed and the trade in tulips ground to a halt.

Brown's plan is to save capitalism's bacon. He would have us all embrace a bleak future which is the grim reality for so many already. Of course he doesn't talk about capitalism. He talks about great powers, the EU and the USA, and globalisation, as if that were a thing. The EU is presented as an unstoppable force, a power above nations. Yet his is the only government that acts as though it were so. The British government is the first to instigate and rubber-stamp every EU policy and directive, many of which were written here. The first to punish our people for not loving the EU enough. The question asked in Westminster is not, "is this good for us as a nation?" but "is this what the EU wants?" And now this infantile pre-election jostling about who will be the next government. Who will be the next monkey to the EU organ grinder?

In its terminal state, Capitalism uses the EU as an illusion of vigour and rude health, an impression of power. But it is only as powerful as we allow ourselves to believe it is. Think of the Wizard of Oz. A mighty voice turned out to be that of a wizened little man, artificially amplified. To overcome the fear you had to pull back the curtain and see for yourself.

CHANGE BRITAIN, EMBRACE YOUR PARTY



The stench of political corruption here is almost overwhelming now. The putrefaction of parliamentary democracy in decay is an assault on the senses. The arrogance of members of parliament – “It was all within the rules” – has backfired on them. Workers’ natural suspicion of politicians has turned to contempt.

Capital will emerge from this period more damaged and certainly more vicious. Look at the preparations here and elsewhere in the world for riot control, suppression of dissent. Was that show of strength in London in April 2009 to protect “The City” from anarchists, or was it a testing ground for new methods of urban containment? We should always be vigilant about the erosion of civil liberties. Coercion is never for our benefit.

But we have learnt that unemployment is capitalism’s favoured weapon of attack on workers. Unemployment, underemployment, agency working, short term working, outsourcing – all designed to weaken a community’s root. The party said unemployment is war on workers. It still is. The EU’s “free” movement of migrant labour with its associated rootlessness of workers intensifies the attack. If the clarity of the engineering construction workers on this point was truly shared and asserted by the working class as a whole, the forces of capital and labour would be dramatically realigned in Britain. Since last Congress the working class has found a voice to demand of agriculture, “Grow it in Britain”. Where is the voice which says of industry, “Jobs now. Make it in Britain”?

Capitalists cannot correct the fatal flaw in their system which makes it obsolete as a force for progress, but they can and do learn lessons. We have had crises of capital before. They end them with a war. Remember that the last Depression ended with (and was ended by) a World War. The last shots fired in that war were the two atom bombs. Will the first shots fired in the next one be nuclear?

So the drums are beating all over the world. Pakistan, Sudan, Somalia, Korea, Palestine, Iraq, Iran, Afghanistan. The list goes on. Workers need to recover that understanding that wars are not accidental or a mistake. They are part of a plan. Here’s Major General Smedley Butler, the highest-ranking and most decorated United States Marine in 1935: “...I spent 33 years and four months in active military service and during that period I spent most of my time as a high class muscle man for Big Business, for Wall Street and the bankers. In short, I was a racketeer, a gangster for capitalism.”

The collapse of the Soviet Union has dramatically increased the prospect of war as a weapon of first resort. A collapse 20 years ago but perhaps unravelling since 1956. It’s time to have some perspective on how

that collapse has impacted on working class thinking. One thing is clear. We are involved in a very long-drawn out struggle between two classes in which socialism has been proved possible in one country (USSR) and in several countries simultaneously (USSR and others). Our role is to destroy capitalism in Britain.

The working class round the world looked on the Soviet Union with a mixture of admiration and disdain. “They did well for themselves but it’s not for us” or “We don’t want to be like them but we like their influence in the world.” We became reliant and dependent. We used them as a crutch. When the crutch was taken away we staggered about. We’d forgotten how to use our legs. That dependence on the Soviet working class has had consequences on how workers think. Over-reliance promotes a feeling of personal inadequacy and compounds that tendency within the class to refuse responsibility. Because the Soviet Union was a counterweight to unbridled capitalism, to an extent we took our eye off the enemy.

The impact was worldwide with workers tilting at windmills. Look where moves towards secularism have been reversed. The “western world” is now the enemy. In Africa and the Caribbean, dormant forms of medieval thinking are revived, witchcraft, demon possession and the like. In Britain too some workers see scientific advance or climate change as the enemy to be focussed upon. Throughout Europe, some trade unionists argue that nationalism is the enemy and seek to focus anywhere but at home where real change can be made.

Those trying to forge their own workers’ nationalism may be quite hard to recognise. What the enemy says may offer a clue. Consider Bush’s axis of evil. Consider the favourite targets of the moment: Iran, Cuba, Zimbabwe, Sudan, North Korea, chosen because they refuse to bend the knee. Try to see each country objectively and from a worker’s perspective.

There has been an attempt recently to suck us into a voyeuristic and judgemental stance vis-à-vis elections in other countries, usually featuring an alleged opposition movement presented as being on the side of the angels. So Georgia, Burma, Zimbabwe, and again Iran. How would we know? We are not there. Enough of telling other people how to improve their lot. Let them sort themselves out. Our internationalist line is very clear. Fight your own battles, in your own land. And leave us to do the same. The voice of opposition and dissent, whether real or imagined, is lauded to the skies so long as it’s far away from the imperialist heartlands.

How well do we know our class?

We have had to struggle in recent years for the right to call a spade a spade, with regard to our class. The inadequacies and shortcoming of British workers have



been faced up to with honesty and are well documented.

Many British workers don't recognise themselves as workers and some even deny they are British. This psychological defect has no basis in reality. Materially, because of where we are and our relationship to the means of production, we are British working class whether we like it or not. Yet despite apparent inactivity and lack of self-organisation the class asserts itself when it chooses. The fact that these manifestations are unexpected should cause us to reflect where we are as a Communist Party. Are we as embedded, "in and of", as we once were? Have we moved with the class as it has changed?

How do we measure up to the requirement "advanced detachment"?

Are we advanced? Yes – a unique storehouse of wisdom distilled over generations, with fearless application of Marxism to British conditions. The issue of a "detachment" should not be confused with detached. Are we a unit, a brigade, a section of the class? Do our branch life, education and structures place sufficient emphasis on day-to-day practical collective work? In particular, how are we identifying and engaging with honest worried workers, who have moved beyond an individual response along the lines of "How am I going to get out of this mess?" Are we aware what a powerful impact we can have on people's thinking when we communicate, not shouting or whispering, just talking?

Remember that knowledge is indestructible. People talk to each other and will talk – the truth will out irrespective of how much it is repressed, how many lies are told.

Britain is the inspiration for, and the natural home of, Communism. We have to think of Britain as a small component part of an eventual Communist world. Communism can only exist as a world system; the State cannot wither away in a single country surrounded by others armed to the teeth. Our own advance depends on the advance of workers everywhere.

What next? A call for action

A challenge for us in this coming period, when things will change rapidly and often for the worse, is how to ensure the light of Communism continues to burn in Britain.

Be optimistic. Keep things in perspective. We have survived 40 years. Big deal. The working class has survived for centuries. The tale of socialism in the

twentieth century must be written. Our Party may be the sole survivors who remember it and can write it. It must be written from the perspective of a British worker.

Be honest with workers as ever, not deferential. Confront idleness, sloppy thinking, passing the buck and every slippery way of avoiding responsibility. Above all attack fatalism, the most reactionary mode of thought in a modern proletariat. Remember in the Second World War pubs had posters "there will be no pessimism in this house".

We've got a system that doesn't work. Workers know this. We come back time and time again to what does work. Industry, sovereignty, self-reliance, self-protection, it all comes down to control in the workplace and control of our resources. Workers who seek to control their lives recognise that nothing is insurmountable. Pollution is an industrial problem. We will come up with an industrial solution. It is capitalism, not carbon dioxide, which is destroying the planet. Control is not the same as communism but in the hands of a working class it's a good start. And it's not new. Britain introduced the world to the concept of industry, sovereignty, self-reliance. We have fertile soil in both meanings of the phrase.

For some time now we have recognised we have everything we need here to prevent Britain going backwards, notably we have skilled, educated workers, who see the euro for what it is, see the EU increasingly for what it is, see the G20 and the like for what they are, see the Labour Party for what it is. But who don't as yet see with sufficient critical mass what a seismic event it would be for British workers to say we will have a future on our terms.

There is great potential both for progress and for destruction. The ruling class can't rule in the old way. The working class wants to be ruled in the old way. This is impossible. The old way is gone.

Britain is under attack on many fronts. Resist where we can. Be dialectical about it. Guerrilla. High time we outgrew that nursery school approach to conflict, shouting at the wrong enemy. Fight where we are strong. Encourage defiance.

Renew this focus on Britain. Because Britain is under attack we have to defend it, protect it, and cherish it. Much of what is bad in the world started and was influenced by the British ruling class. Much of what is good in the world started or was influenced by the British working class. What is good for Britain will be good for the world.

CHANGE BRITAIN, EMBRACE YOUR PARTY

Whichever way you look at it, within seven years Britain will face a shortfall between the power it needs and its ability to supply it...

Energy supply: mind the gap

MYTH AND REALITY need to be separated over the question of whether the lights in Britain will go out in this complex situation of alleged climate change, power generation shortfall, energy supply and suppliers, changing technology, profit and greed and the unscientific cult politic of doom, gloom and Armageddon.

The British government forecasts a 3,000-megawatt-hour shortfall in generation by 2017, equating to the lights being out for less than 30 minutes a year. What's actually far more worrying is that this figure assumes that new generating plants will be in place to make up for the 18,000 megawatts of generating capacity that will be taken out of service by 2017 – more than a third of current generating capacity. Any slippage in the schedule and we'd be lucky to escape with 30 minutes a day.

University academics, energy and generating-industry sources identify 2012 as the crunch year. The point about any blackout – 30 minutes, one hour, one week, whatever, is that it will not be clinical – switch off supply, switch supply back on. It means the system is at maximum capacity excluding breakdown, maintenance, unseasonable weather, and unplanned demand. What is clinically defined as 30 or 60 minutes becomes an out-of-control failure in the system which will lead to greater failures as there will be no reserves, no back-up.

So leaving aside the science fiction doom scenarios of the green or anti-industry lobby, let us analyse the state of generation in Britain. The European Union wants a third of Britain's generation to be from renewable energy sources within the next 10 years – wind, solar, etc. This is unproved, uneconomic, unreliable, inefficient, expensive technology and, as far as the energy firms are concerned, uses unprofitable sources of energy.

European Union directives on how generation is produced, which are not based upon the efficiency, effectiveness or expected life expectancy of a power station but solely on the number of hours they have been running, mean that 60 per cent of Britain's nuclear power stations

will be shut earlier than planned.

Similarly, 40 per cent of Britain's coal-fired power stations will close in the next 10 years. Drax, the country's largest coal-fired power station, is based upon successful design but is nearly 60 years old. This government, since coming to power in 1997, has hedged any decision about building new coal or nuclear power stations. They have hidden behind the dash for gas – the cheap burn of North Sea gas or gas imports from Norway, Russia, North Africa and the Middle East. They have hidden behind grandiose 'green' pledges over wind farms, the latter only having seen growth and extension if huge subsidies have been poured into energy company coffers. Once the subsidies have stopped then so have the wind farms and investment.

Ofgem, the Office of Gas and Electricity Management, has now issued a rehash of every previous Office of Fair Trade monitoring report, stating that the combination of meeting environmental targets, dependency on imports and ageing generating stock will all threaten the security of supply of electricity and thus light and heat, in the near future. Ironically, these are the same results that the National Union of Mineworkers and the electricity supply trade unions were advising in the late 1980s when the privatisation of the energy industries was first mooted.

Decision time

To build a new power station – be it coal or nuclear – takes around 7 to 10 years. If Britain is to escape long-term shortfalls in energy supplies and security of supply then the decision to build new generating capacity needs to be taken, not merely in principle but by deed, now. Ofgem estimates that Britain's energy industries need an investment of £200 billion to ensure security and expansion of supply, surprisingly a figure agreed upon by the energy companies. What is not agreed upon is who should fund it – the two or three monopoly generators (RWE, E.ON, EdF) – or the taxpayer, us?

The government by indecision and

“Clean coal technology, pioneered by Britain, has survived and now could eliminate the carbon emission problem from fuel...”

contractual manipulation has ensured that there are no British companies capable or available to build nuclear power stations. All possible nuclear building rests with either US or French companies. There is in principle a decision to build eleven or more nuclear power stations. The sites have been identified: all are on existing nuclear sites – Dungeness, Sizewell, Sellafield, Wylfa, Hinckley, etc. What is lacking is the political backbone, something unidentifiable in the Brown government, to make the decision.

There are 60 planning applications to open new coalmines, a combination of opencast and deep mines to utilise the coal resources Britain sits upon. These applications, plus proposals for new power stations or refurbished coal-fired stations at Tilbury, London's Docklands, Ferrybridge, Longannet, Cockenzie, Blyth, Kingsnorth – again utilising existing sites – are being blocked by the government for fear of the green lobby and because of an unwillingness to contradict EU directives over renewable energy sources. This political cowardice ignores the scientific evidence around carbon capture and storage technologies (CCS), clean coal technology.

Despite the Tory attempt to smother clean coal technology so brutally during their pit closure programme of 1985-1992, this unique technology, pioneered by Britain, has survived and now could eliminate the carbon emission problem from fuel. The use of coal and CCS in new or refurbished power stations would ensure security of supply, no dependency on gas, regeneration throughout Britain's



One of Europe's largest coal-fired power stations, Ratcliff-on-Soar, Nottinghamshire. Without it, the lights would be going out already.

coalfields and – with the right level of investment – the only scientifically proved reduction of carbon emission from energy production.

Trials in Norway of extracting carbon from coal production and storing it in empty gas fields beneath the North Sea have been hugely successful. CCS schemes such as pre-combustion capture, post-combustion capture, oxy-fuel combustion and gasification have all proved that clean coal technology and carbon capture works.

The real battle is around politicians seeking cheap and quick solutions for no other interest than serving the profit returns of the energy companies. Short termism is about quick fixes, using oil and gas but ignoring nuclear and coal, and using fuels that have limited life spans – 50 years in gas and oil (subject to a real analysis of vast new oil reserves being identified in Venezuela, Iraq etc). But oil and gas have a proven if short-term profit record, as opposed to coal (with an estimated 1,000 years reserves) or nuclear.

Nuclear technology has to be the growth industry not only in Britain but worldwide. The only resolution to energy poverty and under development – as so clearly explained by Cuba, China, India and myriad other nations against the US, Britain, flat-earthists and energy company lobbyists recently in Copenhagen – has to

be energy generation for all. Nuclear generation has to be part of the answer. Scientific research into nuclear fusion has to be part of that solution, as must a complementary mix of fossil, nuclear and renewable fuel sources, planning, coordination, long-term realism, and political power.

The question then arises, for whom? To refurbish Britain's energy industry as it stands is estimated to cost in the region of £200 billion. To surround Britain with a forest of wind farms, blighting Britain's coasts and offshore, will cost an estimated £30 billion for a technology unsound, unreliable and irregular in supply and which fails when the weather gets cold.

Turgid turbines

Turbine technology is seeing closure – Vestas, Isle of Wight, with its job losses and the turn-off in investment. The largest wind farm in the world – the London Array – looks likely to be abandoned and just become a shipping hazard.

To fully apply CCS technologies worldwide will cost billions but it is the only industrial solution to the energy-producing problems of a world that refuses to live in the dark ages or in darkness and cold. Industry to save the world as opposed to industry to line the pockets of a tiny group of monopoly energy cartels has to be the solution.

At the same time, we must deal with the question of the “price” of energy and who the exploitation of the world's natural resources is really for. Energy for the people or energy as a commodity being sold to bloat the coffers of the energy companies? Energy as a fundamental of life or mere commodity? Energy as a football used as political, economic and military blackmail by the industrialised capitalist nations against the world?

In between time, British workers should call for a revolution in energy:

- a sustained programme of building new power stations – coal and nuclear, coupled with the rejuvenation of coal as both home supply and source of export;
- development and export of nuclear and clean coal technologies expanding Britain's engineering base and scientific resources, equipping and cleaning up the mess created by capitalism;
- removing of the blight of Thatcherism from Britain's coalfields by genuine re-skilling and genuine rejuvenation, so creating long-term sustainable employment;
- creating a supply of cheap energy, as always was envisaged under state monopoly, so as to give manufacturing industry an unprecedented advantage.

Energy for whom? “Electricity plus Soviet Power equals Communism”, as Lenin said.

It began with the reasonable demand for a 40-hour week, led to 35,000 workers at Glasgow's City Chambers – and howitzers around

The day the Army was sent to the streets of

NINETY YEARS ago in the aftermath of years of capitalist crisis and the “War to end all Wars”, the British government had the military on alert to deal with a working class response it feared. Organised workers had forged strong links between centres of heavy industry, particularly in Sheffield, Newcastle and Glasgow.

The ties were strongest among those working in engineering and shipbuilding. Even in the midst of the First World War, those workers had resisted the imposition of the Munitions Act, the Dilution of Labour Act and Defence of the Realm Act, all giving government draconian powers to negate long-fought-for pay rates and conditions for skilled work, and to crack down on opposition.

Social unrest grew too, with well organised campaigns such as the Glasgow Rent Strike of 1916. One of the leaders was suffragette and communist Helen Crawford, who helped forge close links between the Clyde Workers Committee (CWC) and the Glasgow Women's Housing Association.

Organisation

Organisation was key, too, in the growth of the CWC itself, bringing together shop stewards, delegates and the Trades Union Councils. Its strength was demonstrated by the chasing off stage of the Prime Minister of the day, Lloyd George, at a showcase rally at Christmas, 1915, intended to promote the need for his various draconian Acts. The 3000 shop stewards and union delegates then took over the meeting.

The only newspaper to report this, FORWARD (with a circulation of over 30,000), was suppressed by the military. The smaller VANGUARD, inspired by Bolshevism, was also closed. Copies of FORWARD were even confiscated from newsagents and regular readers' homes. However, only a week later, the CWC launched its own journal THE WORKER – ORGAN OF WORKERS' COMMITTEES OF SCOTLAND. It ran to five issues before the editorial team and printer were arrested and most jailed for a year. It had featured the



Left: Glasgow rent strike, 1916. Right: three years on, and tanks are stationed in Glasgow on Church

defiant statement:

“The British authorities having adopted the methods of Russian despotism, British workers may have to understudy Russian revolutionary methods of evasion... but here is THE WORKER once again, symbolical of the fact that the cause of Labour can never be suppressed. It may be and has been bamboozled, hoodwinked, side-tracked and misled; it may be browbeaten, persecuted and driven underground, but it cannot be killed; and just when its enemies think they have finally subdued and made an end of it, it emerges more virile and vigorous than ever.”

Workers organising was nothing new – the weavers of Glasgow's Calton district were strong enough to engage in a long and bitter dispute over wages and basic justice in 1787, only ending when several were killed by government forces. An insurrection in 1820 had ended in death and deportation, and Glasgow Trades Union Council was one of the earliest in Britain over 150 years ago.

By 1918, the combination of people's high expectations of peacetime and demands of the returning troops and sailors gave the government a dread of the influence of the world-changing actions carried out by workers in other

lands.

Particularly on their minds were the 1916 uprising in Ireland, the Bolshevik Revolution of 1917 in Russia and the build up to what was an almost successful revolution in Germany in 1919.

Hence the reasonable demand for a 40-hour working week led to what became known as Black Friday, 5 February 1919. That day months of CWC agitation culminated in a mass demonstration of over 35,000 workers at the City Chambers in George Square in Glasgow city centre. It was attacked viciously by police and serious rioting ensued.

Tanks and troops

Its Britain-wide implications were made clear by the actions of Churchill and his Cabinet in ordering tanks and troops into the city. Local soldiers were confined to barracks, while the troops brought in were from well outwith the area. Machinegun nests on rooftops and even howitzers were positioned around the city centre.

However, although well organised and with a popular following, the workers committees were from a defensive tradition, of a trade union nature. They were coping with appalling conditions and

a demonstration by
und the city centre...

of Glasgow



Churchill's orders as mass action grew.

the fear of looming mass unemployment. And there was nothing in the form of a Bolshevik or communist party in Britain at that time to inspire the struggle to go to a more ambitious stage.

It was perhaps no accident that diversions into nationalism and separatism – aimed at smashing the necessary British class unity – were concocted at this time. 1920 saw the formation of the Scots National League, John MacLean entering the cul-de-sac of Scottish republicanism and poet Hugh MacDiarmid writing his PLEA FOR A SCOTTISH FASCISM calling for socialism to develop “a fascist rather than a Bolshevik spirit”.

Others, including speakers at the 1915 and 1919 rallies, walked off into benign parliamentary social democracy. Kirkwood became Baron Bearsden; Mitchell hardly spoke in parliament; Maxton faded with the Independent Labour Party and Gallagher was an isolated communist voice at Westminster.

Helen Crawford went on to play a leading role in the Workers International Relief Organisation, set up to defend the Russian Revolution, having met Lenin in 1920. She was politically active until her death in 1954, being elected as a communist to the town council in Dunoon, Argyllshire, in 1946.

More from our series on aspects
of Marxist thinking

ABSOLUTE DECLINE

Marx analysed 19th-century capitalism as being in decline, never to recover. Many claim this shows Marx was wrong, because capitalism always manages to recover from its frequent crises – so it can go on forever. Yet a longer and deeper overview of history shows Marx was right.

Capitalist forces grew up under feudalism and eventually defeated it, establishing itself as the prevailing economic system. In doing so, it created a new class, of workers who had to work in return for wages. Marx said capitalism created its own gravediggers. So from the time of its greatest triumph, capitalism never again expanded in overall form, and its decline began. Class relationships made this inevitable, and all apparent “recoveries” proved temporary.

In Britain, the working class forced the issue, seeing its own potential power, organising in trade unions to fight the capitalists. Thus it became the dominant force in society – the class which represented the future.

When workers in Russia in 1917 showed they could overthrow the capitalist class altogether and seize and maintain power for themselves, the balance of class forces in the world changed forever. Capitalism’s decline became absolute. From that point, its main aim was to destroy its future assassins – all internal and foreign policies concentrated on bloody war on workers.

This doesn’t seem obvious today. The Soviet Union eventually collapsed (having saved the world from fascism in World War Two) together with socialism in China and other countries, and capitalism might seem to have won the class war. Yet the nature of class relationships is the same, and so capitalism remains in absolute decline. It is incapable of offering any kind of growth or progress for the vast majority. It can only destroy.

Now we see an increasingly fast cycle of ever deeper capitalist crises. Capitalism’s major aim is to kill the power of the working class, and decline is deliberately promoted to achieve this end, for example the closure of coal mines in Britain to finish off the miners. By its own actions, it destroys the means of production – industry and agriculture, the banks and the financial system.

Capitalism has no answers to its problems. In absolute decline, it is now exposed in its weakness, but it won’t fall unless the working class strikes it down. We could do it, but we have to want to – this is the challenge.

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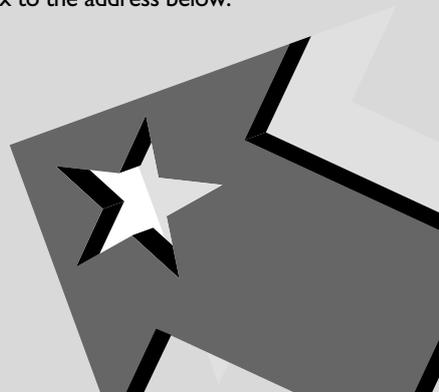
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Back to Front – PIGS fly home to roost

‘The euro is not about economics but politics. It is a single currency for a single federal state...’

THE MADNESS of welding together economies as disparate as an industrial Germany with those of rural Southern and Eastern Europe was bound to fail. And it has. The euro is a laughing stock, unable to control its standing in the world. The problem of the PIGS (Portugal, Italy, Ireland, Greece, Spain) economies is nothing to do with us, and we must insist on staying out of the picture.

We will be told that it is in our own interests to prop up the euro – Peter Mandelson has even suggested we join it! He’d have the British people accept even higher tax rises and deeper cuts in order to ease tax rises and spending cuts in countries whose governments have been even more lax and corrupt than our own. We won’t buy it. The British people have so far made it politically impossible to push through euro membership – this is our chance to bury it once and for all.

Like Ireland and Portugal, Greece has no manufacturing sector to speak of. Its economy is based on agricultural exports to the rest of Europe and tourism, both badly hit by the strength of the euro – also the reason why the decline of Greece as a tourist destination coincided with the popularity of Turkey. Joining the euro was a fools’ paradise. The Athens government wanted to hitch a ride from the stronger countries and was allowed to cover up its weakness by borrowing.

Although the Thatcher government pioneered the myth in Europe that a country can prosper without manufacturing by dint of unfettered borrowing and speculation, other governments have been enthusiastic converts. If Alex Salmond had had his way Scotland would have followed Ireland and Iceland to the top of the arc of prosperity and back down the other side.

The ECB turned a blind eye to the level of borrowing in EU countries in order to

maintain the fiction of the euro project for one simple reason: the euro is not about economics but politics. It is a single currency for a single federal state. It is the European dollar. Greece has never met the criteria set out for membership and blatantly cooked the books in order to join, as did Italy and Portugal.

Now the bills are coming in. Outgoing EU Economic Affairs Commissioner Joaquin Almunia said that Greece, Portugal and Spain have all suffered “a permanent loss in competitive capacity since becoming a member of EMU”.

Greece needs to leave the euro. The cheaper drachma would revive the tourist industry overnight and make its agricultural produce competitive again. Of course, if one country takes the logical step of recovering economic sovereignty the whole single currency project will unravel. And a good thing too.

The EU is trying to take over the failing economies, using its new powers under Article 121 of the Lisbon Treaty, allowing it to issue “recommendations” for reforms to Greece’s pensions, healthcare, labour markets and private commerce. The German government’s demand that Athens impose drastic austerity measures did not stop it from insisting that Greece buy expensive Eurofighter jets, made in Halberghaus, Germany. Commission President Jose Manuel Barroso said, “Economic policy isn’t a national, but a European matter.”

The concept of “pooled sovereignty” so beloved by the europhiles means no national sovereignty at all. Already Greece has been stripped of its EU voting rights. It stands to have its economy taken over under Article 126.9 of the Lisbon Treaty. The British people’s suspicion of the European project and the euro in particular has proved well founded.

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