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# FOR WORK, PENSIONS AND PEACE. FOR A FUTURE FOR BRITAIN.



**JOURNAL OF THE COMMUNIST PARTY** 

Transport Union rep wins reinstatement 04



Southern Cross Caring for profit



**Marxist thinking Unemployment** 

# WORKERS

# Britain's war against Libya

Statement from the Central Committee of the Communist Party of Britain (ML)

BRITAIN'S brutally aggressive adventure in Libya is to be utterly condemned.

Claiming falsely to protect civilians, British military jets are raining munitions from the sky on to Tripoli and other Libyan cities in a "shock and awe" assault, acting on behalf of one side in a civil war abroad, attempting to assassinate the head of state of a sovereign country and to teach a lesson to Libyans who dare to support their independence in the face of imperialist intentions.

The British action is both shameful and cowardly. British troops are not to be risked yet the Libyan people die in intensive bombing raids. In spite of a deliberately vague UN resolution, the action is illegal under international law. It is terrorism, inflicted by our government against a sovereign state which is no threat to us or its neighbours.

Britain acts as cheerleader to EU aggression, promoting the interests of the USA, which grabs its chance to seize control in awkward Middle East states which refuse to do its bidding. It is no coincidence that Libya has the highest standard of health, education and infrastructure in North Africa, that Gaddafi's government is resistant to religious extremism,

and that Libya has high-quality oil.

At a time when government tells us there is no money for civilised life at home, there is unlimited funding for the bombings – likely to top £1 billion by the end of the year. War is waged on us at home, and on the Libyan people in their country.

Where is the outcry? Why have workers not protested against this outrage? The voice of the trade unions is absent. Not surprisingly Labour MPs remain largely silent, except to complain that they aren't being fully consulted on each escalation in the war which they support, and to assert that the civil not military budget must be used to fund it. In targeting Gaddafi as head of state, and killing his son and three young grandchildren, the British government is perpetrating state terrorism.

We support the right of the Libyan people to determine themselves the affairs and government of their country, free from imperialist meddling. Whatever the future holds for Libya, it is not our business, nor that of the USA or the EU.

We denounce this war being waged in our name.



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## Teachers strike for pensions

AT THE TIME of going to press it is anticipated that schools the length and breadth of the country will have closed on 30 June due to industrial action.

Teachers (NUT and ATL) were already incensed at the government's proposed demolition of their pension fund, in other words their future. In essence, "pay more, work longer and get less".

Now, adding fuel to the fire, Education Secretary Michael Gove has infuriated teachers further by urging headteachers to act as his agent provocateurs in the dispute and keep schools open by hook or by crook. An open invitation to bully and harass teachers which is having the opposite effect – vacillating teachers are now being galvanised to join the dispute and more schools will have closed. And his ludicrous call to parent to keep schools open smacks of desperation.

The hapless Gove refers to headteachers' "moral duty" to keep schools open, drawing the obvious response, articulated elegantly by Russell Hobby, the general secretary of the National Association of Head Teachers: "Heads don't need lectures in their moral duties. They've been keeping schools open their entire careers. And will make the right choices in the coming action." Stung by Gove's crass remarks, the NAHT is now preparing to ballot its members on forthcoming industrial action.

Gove sheds crocodile tears about the impact of school closure on working families and single parents, conveniently forgetting that these groups are amongst the hardest hit by government policies, which are designed to hammer home the message that there is no future for workers in Britain. The assault on pensions undermines security and coldly strikes at the heart of the concept of collective care and public service.

We can see what they have in store for us already. Harrowing stories of elderly inmates left in a filthy bed for 18 hours in a heartless institution tell a story worthy of a Hogarth etching. As workers with a sense of dignity and a history of finding collective solutions to our problems, we need to get our thinking caps on. The strike on June 30 could mark the opening salvo in a protracted struggle to find some breathing space while we come to terms with the enormity of what is being proposed for us. Not an ever-diminishing series of empty gestures, but a growing wave of resistance which will put the coalition in disarray.

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

#### **HOME-BASED CARE**

#### **Enquiry launched**

A MAJOR enquiry has been launched by the Equality and Human Rights
Commission into the experience of older people requiring or receiving home-based care. Sally Greengross, Commissioner at the Equality and Human Rights
Commission, said: "Against a backdrop of budget cuts and public sector reform, local authorities are playing an ever-decreasing role as direct providers or funders of care and support, with the majority of older people receiving care from private and voluntary sector organisations or individuals."

The Commission is looking at how the elderly are being protected as well as people's experiences of and confidence in the system to protect those rights. It will explore the legal obligations of the different players, including care providers, local authorities, the Care Quality Commission and central government and look at the case for reform.

#### TRADE DEFICIT

#### No evidence of recovery

THE DEFICIT on trade in goods and services was unchanged in April at £2.8 billion, after the March figure was revised down from £3 billion to £2.8 billion. Figures from the Office of National Statistics showed that the deficit in goods fell to £7.4 billion from £7.7 billion in March, as a fall in imports of consumer goods offset a small rise in exports. The surplus on trade in services was £4.6 billion, down from £4.9 billion in March. The ONS report again showed no evidence of an export-led recovery.

#### **EUROBRIEFS**

#### The latest from Brussels

#### Rule by euro

THE BERLAYMONT building, the Brussels headquarters of the European Commission, is currently decked with a full-height poster featuring the euro and the slogan: "Towards a stronger European economic governance". So the aim is not a stronger economy, but stronger governance – using the euro as an instrument of rule.

#### Still in love with the single currency

BLAIR SAID on 24 June, "Now I don't actually take the view that some people take, that Britain joining the euro, in the past or now, will be a disaster. However I always said, unless you can make a compelling case for it economically you were never going to win a referendum on it. And the case for Britain joining isn't compelling. Now it may become that at a certain point."

#### Steadfast support

Two faced? Peter Oborne wrote in the DAILY TELEGRAPH on 6 June, "Far from pursuing a rigorous policy of Euroscepticism, [Cameron] has consistently conducted himself as a pro-European. Indeed, he has been a far more steadfast supporter of the EU than Tony Blair [...] While Blair's rhetoric was consistently warm about Europe, he routinely failed to deliver. Although Cameron still articulates the language of Euroscepticism, he is in practice the most pro-European prime minister since Sir Edward Heath."

#### Secret abuse

ROBERT GALVIN, the European Parliament's chief internal auditor, uncovered abuse of £185 million in MEP allowances and expenses, paid without receipts. The EU's General Court said there is "overriding public interest in disclosure" of the report. But the European Parliament refuses to release it.

#### They want more, and more, and more

MEPs voted on 8 June overwhelmingly for a 5 per cent rise - an extra £41.5 billion - in the EU's budget for 2014-20, an end to national rebates, and the introduction of EU taxes. Britain would have to pay an extra £5.2 billion in contributions to the EU between 2014 and 2020. So the EU would cost the average British family £700 a year by 2020.



Golders Green underground station, London, 19 June: RMT union members on strike demanding reinstatement of victimised Northern Line driver Arwyn Thomas (third from right). The result: a victory – see story, right.

# **Battle for Southampton**

WORKERS AT Southampton City Council have voted to take industrial action against the council's arbitrary decision to dismiss its 4,300 staff and then re-employ them on inferior employment conditions.

Southampton City maintains, as with all other councils in the country, that it is facing an extremely difficult funding challenge. A council spokesperson said, "We must find savings of £65 million over the next four years, which represents more than a quarter of our running costs. We have a funding gap of £25 million in the current year alone."

The unions Unite and Unison recognise that this dispute has national significance. Councils in Portsmouth and the Isle of Wight and throughout the country will be waiting to see what the outcome will be.

Hundreds of workers marched through Southampton city centre on Monday 13 June in protest at the council's plans to force thousands to accept wage cuts. The demonstration, the biggest protest by working people the south coast has seen in recent times, was organised by Unite and Unison

The march through the city coincides with strike action and action short of strike action, across the workforce:

- 112 refuse workers, who staged a two-week long strike, which ended on Wednesday 22 June:
  - 56 street cleaners, who started a seven-day strike on Monday 13 June;
- 48 traffic enforcers (traffic wardens) who are refusing to collect parking fines, costing the city an estimated £100,000;
- 150 social workers are on a work to rule, refusing to use their own cars for visits, costing the city an estimated £30,000 per month in taxi fares;
- 30 workers on Itchen Bridge, who stopped collecting tolls on Monday 13 June for seven days.

In April Southampton council issued notices to its 4,300 employees instructing them to accept new, inferior contracts or be sacked on 11 July. The city has been gripped by workers fighting to save their jobs and pay, costing the council hundreds of thousands of pounds in lost revenue.

#### **ENERGY**

#### Wind and nonsense

ENERGY POLICY? What energy policy? The National Grid PLC has announced that wind farm generators will now not be allowed to generate for 38 days rather than the previous 25 days a year. That's a 50 per cent increase in idle time because it is too

"windy" (the National Grid cannot cope with the surge). Wind farm operators were paid £2.6 million in May not to run their generators, a figure set to rise to an estimated £300 million a year by 2020.

The operators received £500 million in subsidies in 2010. The Renewable Energy Foundation estimates subsidies will reach £6 billion by 2020, making wind farm generation expensive and unsustainable.

#### **TRANSPORT**

#### **Tube official reinstated**

THE RMT union has called off action on the London Underground after management finally agreed to reinstate sacked union rep Arwyn Thomas.

London Underground had claimed that Thomas had verbally abused a strikebreaker at Morden, but an Industrial Tribunal found that his dismissal had been because of trade union activities.

In fact, CCTV evidence showed clearly that not only had Thomas not been abusive but that he had been pursued across the station by the strike-breaker who was openly trying to provoke a confrontation, said the RMT. This evidence was backed up by a passenger witness.

But management had been fiercely resisting reinstatement, even after the chair of the tribunal had asked London Underground managers to take fifteen minutes to consider taking Thomas back.

"This trade union would not be worth its salt if we didn't stand up and fight injustice and Arwyn Thomas's case is probably the clearest cut case of victimisation on the grounds of union activities that you will ever see," said RMT general secretary Bob Crow.

# **Engineering shortage looms**

MANUFACTURING BUSINESSES in Britain (and elsewhere) are beginning to worry about skill shortages of engineering and technical specialists, as there are too few emerging from the education system. Simply, the supply of new skilled talent is not sufficient. Troublingly, nearly half of those currently employed in the sector are over 45. EngineeringUK, which organised a summit meeting at the Department for Education in June, has warned that the sector will need 587,000 workers in Britain by 2017. Figures for the previous two decades seem to indicate a worrying pattern that not only is there a declining number of engineering graduates but also insufficient engineering graduates go on to actually pursue careers in the sector (often it is less than half the cohort).

Engineering and manufacturing form 13 per cent of Britain's GDP, more than the finance sector. This force needs to grow, not contract. Crucially the culture of making, designing and constructing needs to reassert itself in Britain and to that end engineering must be restored to our nation's imagination.

Some strategies are obvious; others will develop as things proceed. There ought to be a great degree of agreement on the issue, crossing separatist boundaries. Unity of manufacturers, scientists, unions, educationalists and planners can be forged. There must be more investment, as we fare badly as compared to competitors abroad.

Industry, education and planners need to work collaboratively and develop policies to nurture growth. It cannot be ducked – state investment has to be allocated, even in partnership with private industry, to carefully chosen industrial areas where there is a view that new products and projects can be developed. Government's non-interventionist stance is handing the initiative to others around the world. Money invested in engineering and manufacturing will benefit the real economy unlike that wasted on parasitic banks.

A start needs to be made with the young in schools to encourage more students to choose maths and physics, essential to engineering; also, the shortage of degree qualified teachers in those subjects needs to be tackled. Industry and employers need to expand school leaver/graduate apprenticeship schemes and develop industry-wide career development programmes to entice a new generation to enter this field of work.

#### **AIRLINES**

#### Virgin pilots vote to strike

AIRLINE PILOTS working for Virgin Atlantic have registered a landslide vote for industrial action to improve their pay.

With inflation running at close to 5 per cent, the pilots were offered rises of 4 per cent this year, tied to accepting 3 per cent for the following two years – and after the pilots have had no increase in pay since 2008.

"With inflation running at 5 per cent

and likely to remain high, VA pilots would, if they accepted these increases, be in effect voting themselves years of wage cuts," said their union, BALPA.

"There has been no UK pilot strike for 32 years. But there comes a time when even moderate people say 'enough'," BALPA general secretary Jim McAuslan said.

Some 750 pilots fly for Virgin Atlantic, which is 51 per cent owned by Richard Branson (the rest by Singapore Airlines). The pilots voted for action in a massive display of determination: 97 per cent in favour on a turnout of 94 per cent.

#### WHAT'S ON

#### **Coming soon**

#### July

Saturday 9 July, all day Durham Miners' Gala

The 127th Durham Miners' Gala takes place in Durham city centre. Celebrations included a funfair, stalls, brass bands and marches.

Friday 15 July to Sunday 17 July 2011 Tolpuddle Martyrs' Festival and Rally

Politics, music, theatre and poetry in the Dorset village from which in 1834 six labourers were transported to Australia for forming a union. For more info, see http://www.tolpuddlemartyrs.org.uk/

#### September

Saturday 4 September, 11am to 6pm Burston School Strike Rally

Village green, Burston, near Diss, Norfolk. Celebrating the longest strike in British history, a fight against the local squirearchy. Speakers, entertainment, march, stalls. Car and coach parking available in Burston. The nearest railway station is four miles away at Diss, but several labour movement organisations are laying on coaches.

#### **MIGRATION**

#### Out of control

THE EU encourages immigrants from all over the world, who arrive here via Italy, which grants residency so easily – it is the EU's weakest link. The UK Borders Agency admits that immigration is out of control. National sovereignty for Britain must mean, among other demands, controlling our borders.

The Office for National Statistics says that the number of low-skilled workers born outside Britain has more than doubled since 2002. Most of the extra 367,000 foreignborn workers in low-skilled jobs came from the eight eastern or central European countries which joined the EU in 2004. In 2002 there were approximately 4,000 workers from these nations. This year, there were 235,000. The coalition government, like Labour, encourages the inflow of workers from inside Europe.

Separate ONS figures also show that net migration has increased despite government talk of bringing it down. Net immigration rose to 242,000 in the year ending September 2010, the largest total for five years.

#### **Debt and borrowing**

THE ECONOMY is mired in debt, which is increasing. At the end of April 2011, public sector net debt (excluding financial interventions) was a record £910.1 billion, up from £889 billion in December 2010. If the £1.342 trillion we paid to rescue the banks is included, the total was £2.252 trillion, up from £2.18 trillion at the end of April 2010.

Debt is fine when used to invest in manufacturing industry to increase resources. But the wrong kind of debt, like loans to property developers and banks, puts funds into the wrong parts of the economy, creates a burden and inflates the property bubble.

The deficit is the difference between what the government spends each year and what it raises in taxation, the difference being made up by borrowing. Average annual public spending was lower in the years 1998–2010 than in the Thatcher years 1980–1997 (down from 40 to 38 per cent of GDP). Budget deficits arise from either too much spending or too little taxing and are likely to be worse when taxes are cut for high earners, corporations and banks. Each deficit adds to the debt stock, the nation's long-term mortgage.

Before the crash and bailout, the national debt was 35 per cent of GDP in 2008, lower than corporate debt (250 per cent of GDP) and private debt (70 per cent of GDP). After the bailout, the national debt was 52 per cent of GDP in 2010 – still the second lowest of the G7 countries.

#### Downgraded

Burdened by increasing debt, Britain has weak economic growth and rising inflation — "unexpected" by the IMF, though it pointed to the VAT increase as adding to inflation. But its annual report warned of "significant risks" to inflation, growth and unemployment. It now forecasts growth of 1.5 per cent in 2011, down from its November 2010 forecast of 2 per cent. 4.83 million people want work and there are 3.3 million workless households. The lowest two-thirds of incomes are stagnant.

We have had under-investment for decades (investment per worker is 40 per cent higher in France and 60 per cent greater in Germany than in Britain). And we have too few skilled workers (20 per cent of German and a third of French workers have low skills, but 55 per cent of British workers).

have low skills, but 55 per cent of British workers). Finance and banking have created almost no jobs over the last 15 years, despite the sector's greatly expanded share of output and profits. While finance accounted for a tenth of national output in 2007, it provided only 6 per cent of national employment. In contrast, manufacturing provided 13 per cent of output, but 11 per cent of jobs. So manufacturing generates 44 per cent more jobs per unit of output than finance.

Manufacturing output fell by 1.5 per cent in April, the worst drop since January 2009. Overall industrial production fell by 1.7 per cent. Car production fell by 7.6 per cent; machinery and equipment manufacturing also fell.

There's nothing new about privatisa stripping. But capitalism has broken threat to tens of thousands of nursing stripping.

# **Caring for profit**

SOUTHERN CROSS Nursing Homes may not be quite so prominent for a while in the headlines, but don't be deceived: this story has not run its course. More importantly it has opened the window on a whole sector in jeopardy.

Southern Cross has until Oct 2011 to devise a solution to the problem of its debt-ridden company which is threatening the livelihood of the 31,000 elderly residents. The four-month process will be overseen by a "restructuring committee" consisting of representatives from the company and its 80 landlords. By the end of the process it is anticipated that Southern Cross will be operating under a different name and will only have between 250 and 400 of its current 751 care homes. Paul Burstow, the health minister, has said that the government will not allow any residents to be left homeless or without care. However he also told the House of Commons (with no sense of irony):

"This is a commercial sector problem and we look to the commercial sector to solve it. All the business interests involved fully understand their responsibilities."

A remarkable statement given that it was that very sector who created the crisis with more than a little help from key figures in the Blair, Brown and current administrations – a rich vein of rottenness which deserves close examination.

The residents are already experiencing a catastrophic reduction in care. On 8 June, 3000 nursing and care staff who worked for Southern Cross found their jobs publicly axed as the company took desperate measures to stay afloat.

#### In the headlines

Southern Cross first came to prominence in the national headlines in 2010 after BBC North East ran a programme critical of the care standards in some homes. The public response to the programme was unexpectedly large and the concerns about care quickly expanded to concerns about financial standards.

The company was set up in 1996 by a businessman named John Moreton who had made big money in his twenties during the North Sea Gas boom. By 2002 the company had 140 sites and at this point a German-based venture capital firm WestLB bought Southern Cross for

#### **Profiting from destruction**

#### Who is benefiting?

KPMG, legal giant Clifford Chance and City Investment Bank are involved in the "restructuring process". The three companies already took £2 million a month in fees between them during the "restructuring". KPMG is also the internal auditor for the Care Quality Commission, the government's Care Home Regulator.

PR firm Financial Dynamics: represents at least four of Britain's biggest elderly care providers. Currently earning fees from Southern Cross — amount unknown.

#### Who has benefited?

House brokers UBS and Morgan Stanley. Shared some £10 million in fees when the firm was floated in 2006.

# tion and assetn new ground with the ng home residents...

£80 million. Only two years later US private equity firm Blackstone bought the company, which by that stage had 162 care homes, for £162 million. From £80 million to £162 million in two years! What was going on? In short Blackstone thought they were on to a winner with increased lifespans and local authorities (i.e., public funding) paying for places in nursing homes when people either did not have the funds to pay for their own place or outlived their own funds.

Blackstone's expansion plans continued. It went on to buy a property company called NHP in a £1.1 billion deal and then NHP leased 192 homes to Southern Cross. Further acquisitions followed which turned Southern Cross into the largest nursing home operator in Britain. At this stage they owned some properties and leased others.

In March 2006 there was a flotation of Southern Cross on the London Stock Market. Initially Southern Cross performed well and indeed doubled its share price during the first year. This was a huge benefit for Blackstone, which sold its stake in the company in March 2007 and managed to get out and make a killing before things went belly up.

Along came the financial crisis of 2008 and suddenly the expansion strategy of Southern Cross was revealed for the entire world to see. The company had been buying properties and selling them on again but keeping a long term lease in order to keep running those properties as nursing homes. It no longer owned its nursing homes - the landlords did. Our public money for care of older people had been directly channelled to property speculation. (Workers readers will recall articles we wrote in this period about Private Finance Initiatives in the NHS, where public money came nominally to the NHS but was going out the back door to the PFI consortiums.)

Then the Southern Cross strategy came unstuck. It could not find buyers for its property assets and found it could not meet a £43 million loan repayment deadline. And just like anyone else who can't pay their debts, it found those debts



Forest Lodge, a Southern Cross care home in Walthamstow, east London, for people with dementia: it was taken over just before the company got into trouble. Officially opened in April, its entrance is still blocked.

grew and grew. News of the company's difficulties reached the City of London and its share price crashed from over £3 to £1.30 in a single day.

Southern Cross tried to negotiate a new deal with the banks to ride out the storm. But the reductions in local authority funding planned by the Labour government and confirmed with Cameron's election in May 2010 meant less public money for care of older people. Southern Cross had tied itself into renting arrangements that ran for 25 years, and these are subject to yearly upwards-only rent reviews. It pleaded with its landlords for rent reductions in line with current prices, but this was refused. Then it made its own decision to cut those rents by 30 per cent (and many ordinary people stood by and said "oh if only we could be so lucky").

So the fate of Southern Cross residents now lies in the hands of the landlord known only by three letters NHP, as it is the largest landowner, owning 249 of the homes. But NHP has also borrowed far too much and is currently controlled by its creditors. These creditors are in

turn coordinated by the outsourcing firm Capita.

#### Who benefits?

As can be seen from the Table ("Profiting from destruction", left) a number of firms in the City of London, like vultures feeding on a corpse, are still making money from this crisis. But the role of one individual needs a little more scrutiny as he had a key role in the flotation, following a key role under Blair and Brown, and now under Cameron.

Between 1999 and 2003 a certain Jeremy Heywood was a civil servant working for the then Prime Minister Tony Blair as Principal Private Secretary. He then took a break from the Civil Service and went to work for investment bank Morgan Stanley where he was co-head of UK investment banking between 2004 and 2007 heading up the team that was involved in the controversial stock market flotation of Southern Cross in 2006. It is not clear how much of a personal bonus Heywood was paid for overseeing the

Continued on page 8

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# In a move paralleling the attack on the NHS, an assault has been launched on social care...

## **Destruction of social care**

Continued from page 7

Southern Cross float. Normally in banking circles leaders of such teams would have received a huge bonus.

Morgan Stanley advised Blackstone on the float, acting as the guide through Stock Exchange rules and crucially setting the share sale price and attracting investors. The 2006 float valued Southern Cross at £425 million and released huge profits for directors and for Blackstone.

Before the proverbial hit the fan, Heywood was brought back into Whitehall by Gordon Brown. He is now David Cameron's permanent secretary and tipped to be the next Cabinet Secretary.

Another former aide to Tony Blair between 2001 and 2005, Baroness Morgan of Huyton, also took up a post as a non-executive director of Southern Cross in June 2006. In February 2011 she was named as the new head of the education inspection body Ofsted.

#### The tip of the iceberg?

The question now arises of how many nursing homes in Britain are in the same state as Southern Cross. There are hardly any family-run homes left, a small number run by charities and very few beds for this type of resident in the public sector.

In trying to get to the bottom of Southern Cross's finances, it has been discovered that Bondcare, which runs 30 care homes in addition to owning 39 of Southern Cross sites, does not even file accounts in Britain. It to assess its financial position as it has a secretive ownership structure based in Gibraltar. How convenient are British Crown Dependencies for financial capitalism!

So here is a story involving one of the most senior civil servants, the Head of Ofsted, Capita, a Crown Dependency and the channelling of public money in the form of nursing home fees to this basket of rottenness. This tangled web must be explained to any one in our class who will listen.

And then the only question is, why to do we tolerate this?

WHILE THE government has been forced to appear to rein in its plans to privatise the National Health Service – though vigilance here must be the watchword – little attention has been given to the other part of the Health and Social Care Bill: social care. This, along with a host of other measures, will have a devastating effect on both the ageing population it is claiming to support, and the existing social care workforce through marketisation of adult social care in England and Wales.

The heart of the plan is to end the existing provision of adult care by local authorities and the NHS by allocating personal budgets to all individual adults in need of social care so that they may buy a personal package of care.

By April 2013, all "service users" – those adults with assessed social care needs – will be on a personal budget. Firstly, this means that all local authorities must move all existing service users, mainly elderly or disabled people, from direct provision of care packages such as residential care, domiciliary care, day centres and so on, to means-tested direct payments that require the service user to buy their own package of care.

Apart from the fact that many people will not want to change their existing package of care that they have become used to, they will be prohibited from using their direct payment to buy any services from the existing in-house (directly provided by local authority) service. This means that the person needing care will have to compare the market to buy a private package of care. Those with a certain level of savings or property will have to pay for their own care, maybe by selling their house, for example.

Clearly the intention is that in-house services will close and the workforce, with all their experience, will lose their jobs. The government sees the way forward as "mutuals", private companies, or user-led organisations (ULOs) selling their services to the elderly and disabled. The workforce will no doubt be encouraged to set up cooperatives or similar bodies. The elderly and disabled will become employers —

most of them for the first time in their lives. It is expected that social workers will be moved out of local authority control, their General Social Care Council will be abolished and their roles downgraded.

But how will these personal direct payments be funded? The Dilnot Commission, which is due to report in the summer, is expected to recommend firstly, a national threshold for care as opposed to local authority set eligibility criteria and a voluntary private insurance basis for funding this care.

The financial services sector will be encouraged to come up with care insurance products so there will be plenty of scope for making money there! There will be a new regulation and inspection regime, providing less inspection and scrutiny due to the "strengthening of user influence". Inevitably this reduction will give more scope for cheating and abusing vulnerable people.

#### **Pioneered by Labour**

These proposals are not new: they were pioneered by the Labour government during its drive to privatise and marketise health provision. They reflect a continuation of the drive by the Thatcher government and continued under Blair to privatise everything that moves and to fragment employment and consequently working class organisation.

Before Thatcher, it was clear to all that the working class comprised all those who had to sell their labour power. Today, the concept of the working class is defined by commentators as that "small white underclass", many of whom don't work at all. This is our problem today, that we don't see ourselves as the working class.

The social care reforms will create a fragmented workforce, scores of thousands of individually employed personal assistants. Will they see themselves as part of the working class and join a union? As well as the fragmentation of the workforce, the social care reforms represent the destruction of this last bastion of the welfare state.

• See also news story, page 3.

# As capitalism in dire straits makes its grab for North Africa, we say end the destruction abroad and at home...

# Demand an end to Britain's warmongering



Photo: Andrew Wiard/www.wiard.co.ul

SOMETIMES FOREIGN affairs impinge on our domestic scene so much that they warrant closer attention, especially as the "fog of war" obscures the real story. Workers are about to have standards of living further eroded amid rounds of cuts that are the worst for generations. At the same time, further bailouts – at our expense – loom and countries in our backyard have their economies downgraded to junk status.

So this declining capitalist system once again manages to find resources to embroil itself in yet another war with no clear exit. The expense is once again extracted from us — or, failing that, from the bank accounts Britain has confiscated from a sovereign nation. That's why it is absolutely right to make the demand "Hands Off Libya", to cease the bombing abroad and destruction at home. Instead we have the urgent task of rebuilding Britain.

The political parties are incapable of this and have marched to war almost unanimously in a cowardly and supine way. Acting, with France, as dogs of war for a USA which – for the moment – seems to be taking a back seat, Britain is deeply involved and hence our responsibility as workers to address the issue.

#### **Control**

With the backing of the USA, a powerful effort is under way to assert control over the resources of Africa, the Near East and the Mediterranean. The United States Africa Command (Africom) – developing since the days of Bush – now surfaces as a force in the region. Britain and France follow, taking advantage of popular upheavals, in an attempt to reassert traditional spheres of influence.

The USA seems to be giving space for a trial run of a nascent European Defence

Force, one that fractures as quickly as it coalesces. This is the latest guise of the old European Defence Community – set up as a result of the US Marshall Plan in the early 1950s to create a European army within NATO. Rejected by a combination of Gaullists, former partisans and the French Communist Party, it has now been revived by the British–French partnership within NATO in their attack on Libya.

So for us as workers it is not some distant conflict that can be easily ignored. British capitalism and that of several other European nations have had long and vital interests in Libya and the wider area competing with each other as well as with newcomers like China (30,000 mainly oil and gas workers were evacuated as the current events unfolded). Nor is it just because it's almost within sight of the

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### Britain's history in Libya

EXACTLY 100 years ago the first bombing raids in the history of warfare were inflicted on Libya by its colonial power Italy. The struggle for independence became guerrilla war in the 1920s and was joined by the future King, Idris. By the early 1940s he was able to bring the Cyrenaican nationalists (i.e. in the Benghazi area) onto the Allied side in the fight against Nazi Germany.

It was with Britain's backing that the Idris monarchy was set up in 1949, firstly in Cyrenaica, then incorporating the Tripoli area and a third region, Fezzan. These are the regions the attacking powers now seek to emphasise as a prelude to splitting, or "Balkanising" the country. On independence in 1951, Idris became king of the whole of Libya. He maintained close ties with Britain and the US even after the Suez invasion.

Setting up such manufactured kingdoms became a hallmark of the end of direct colonial control, with results very

much in evidence in Saudi Arabia and Bahrain today. No intervention is proposed there, with Britain, France or the US hardly commenting on brutal repression carried out with their collaboration and arms sales.

Gaddafi's timely coup in 1969 prevented a monarchic succession and a republic was proclaimed. It has been the Idris portrait and royal flag that have been widely seen among the current opposition in Benghazi and further afield. If there were idealistic youth among the rebels, they have accepted a poisoned chalice in the form of NATO bombing, military advisers and privatised armies and a London office hosted by David Cameron.

If a parallel with British history was drawn it would be with the futile attempt by Bonnie Prince Charlie to restore the feudal, Catholic monarchy in 1745. Even then, France was in there, meddling – but for bad weather French troops might have landed in Scotland.

Continued from page 9

popular resorts of Spain's Costa del Sol (residents in Almeria are becoming familiar with the sound of attack jets speeding south east).

The carving up of north Africa was very much a British Empire activity. In the wider area Britain saw bloody action in 19th century war on Sudan, bombing (including chemical munitions) in Iraq in the 1920s, the attempt (again with France) to seize Egypt's Suez Canal in 1956, regime change in Persia and the seizure of its oil resources in the 1950s, the Britishengineered Balfour Declaration of 1917 and its occupation of Palestine.

These are just a few of many chapters of our nation's deep involvement in the strategic control of the region and acquisition of its wealth.

Following the days of creating nations and kings by drawing lines on maps, the era of national liberation struggles was countered by a clandestine neocolonialism. Newly independent states throughout Africa lived with the threat of being undermined, controlled by placemen, financed by British capital and what is called "aid". Countries were sucked dry, ensuring mineral rights and strategic footholds.

#### **Countering the Soviet Union**

In the post-Second World War decades this was all part, too, of countering the influence of the Soviet Union. The independent-minded were sidelined, ridiculed or assassinated. Nasser and his version of socialism had to be smashed, coups organised, dictators lavishly praised. For decades the Edinburgh-educated, and member of the Church of Scotland Hastings Banda ruled Malawi with an iron fist.

Now evangelists, celebrities and the Scottish Parliament continue the old colonial connections in a seemingly benign cloak. And at the heart of Africa millions have perished in a war without end in Congo, in the scramble for diamonds and rare minerals such as coltan – essential for new technology and other science applications. No headlines about that and no intervention contemplated; capitalism is already involved in that scramble.

It is further north that a big leap forward for Britain's entanglement with the region has taken place. Cameron took full advantage of the chaos in Egypt to parachute into Tahrir Square with his team of travelling arms salesmen. His – and the other parties' – support of the repression in Bahrain, Yemen and Saudi Arabia (as well as Saudi military intervention in Bahrain) totally contradicts their calls for regime change and democracy in nations they dislike. These just happen to be those independent-minded nations that have avoided the US government's Africom or European Union one-sided trade deals.

For Britain, two ends of the African scenario are now seen to be linking up. The current legal action for compensation for British atrocities during the Mau Mau rebellion over 50 years ago has exposed the role of the same torturers and agencies at work both in Kenya then and in Bahrain during recent decades right up to the present conflict.

Among those freed in a temporary lull in the revolt there last month were several who testified to Britain's role in "extreme systematic torture" – even citing the long term role of retired British advisers with a record in that repression in Kenya (see Historic Notes, page 15). It was Britain that imposed the al-Khalifa regime on the people of Bahrain and which has benefited from its divide-and-rule tactics ever since.

It is no accident that the USA and its European allies have taken full advantage of the wave of popular revolt to attempt regime change against those independent minded states who have remained resolutely outside their control. They have noted that Syria under Assad is probably the most secular place in the Middle East. In a 1996 memo titled "Clean Break" given to incoming Israeli premier Netanyahu, the USA depicted an overthrowing of Iraq's Saddam Hussein as a crucial step in a



larger strategy having as one of its main goals to destabilise Syria.

Libya itself has a similar record of being resistant to Islamism. Whatever one thinks about Gaddafi's Green Book, suspect accusations over the Lockerbie bombing or deals in the desert with Blair, that nation has a resolve to maintain its own integrity, free of imperial control. It has a social infrastructure to match, especially in medical care, equality of education and distribution of resources; its underground water system is a feat of engineering, and in the sights of European privateers. Its high quality oil is only a small factor in what is a strategic battle to fully control the Mediterranean arena.

#### A Mediterranean Union?

During his election campaign French president Sarkozy called for the establishment of a Mediterranean Union, a project supported by Israel. Libya is a big obstacle to such dreams of reviving French influence in north Africa – and its Mirage jets were the first to bomb, closely followed by British planes and including the new Brimstone missiles. These are suspected of being depleted uranium munitions, thus spreading poison in Libya for years to come.

Nor is it an accident that some of the same forces that Reagan, elder George Bush and Clinton harnessed with NATO to fight Soviet influence and a socialist government in Afghanistan, to counter workers' and Soviet influence in Egypt and

the wider middle east and to arm Kosovo during the dismemberment of Yugoslavia, are again surfacing. These are the very Bin Ladenesque Islamist elements today's US and European governments claim to be opposing.

With the eager help of their client Saudi Arabia (in receipt of billions of pounds worth of British and other armaments) and the deceptively benign royalty of Qatar (complete with attack jets and their mouthpiece Al Jazeera), Syria and Libya are feeling the brunt of these mercenaries. After a bloody struggle, Syria seems now to be holding out in the face of British, US and Saudi attempts at regime change. The courting of the Muslim Brotherhood in Egypt – from the days of the elder George Bush – now surfaces as a useful tool in the new political landscape of that country.

Libya may be a small country but the implications are wide ranging. There is

growing opposition around the world to this aggression — Cuba, Venezuela and South Africa are among many who have spoken out. As the civilian death toll mounts, Italy has put into question the use of its air bases and its role in the naval embargo on Libya, calling for a suspension of hostilities in Libya on 22 June in the latest sign of dissent within NATO.

And following a meeting of the Shanghai Cooperation Organisation, a conference was called in May in Moscow by Brazil, India, China and Russia, amid second thoughts about their original support for the UN resolution which has given NATO an open door to attack a sovereign country. Taken together with increased India—Iran cooperation, such moves may begin to point to the end of US—European dominance in the Middle East and the wider African arena; other lessons from history may point to greater conflict to come.

# **Meet the Party**

The Communist Party of Britain's current series of London public meetings began in the autumn and continues into summer 2011; except on May Day, all are held in the Bertrand Russell room, Conway Hall, Red Lion Square, Holborn, London WC1R 4RL, nearest Tube Holborn. Other meetings are held around Britain. All meetings are advertised in What's On, see page 5.

The autumn programme of public meetings kicks off on Thursday 29 September: details to be announced in the September issue of Workers, and at www.workers.org.uk. Interspersed with public meetings, the Party runs regular political study and discussion groups for interested workers across the country.

Catch our WORKERS sellers over the summer at the Durham Miners' Gala, Tolpuddle and Burston (see What's On).

The Party's annual London May Day rally is always held on May Day itself, regardless of state bank holidays — in 2012, Tuesday 1 May, in Conway Hall, Holborn. There will also be May Day meetings elsewhere in the country.

As well as our regular public meetings we hold informal discussions with interested workers and study sessions for those who want to take the discussion further. If you are interested we want to hear from you. Call us on o20 8801 9543 or e-mail to info@workers.org.uk



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The writing is on the wall. The government wants us to pay more, get less, and work longer – and preferably die before we retire...

# Pensions attack: institutionalised looting

FOR OVER TEN years the private sector has been attacking workers' pension schemes. The result is that there are now almost no final salary benefit schemes open or available to new workers taking up employment in the private sector in Britain. Robert Maxwell's looting of Mirror Newspapers' pension scheme, a scandal in the 1980s, has now become the institutionalised norm in the private sector.

Now the government's assault on workers' pensions, which are our deferred wages, is shifting to public sector provision.

A concerted softening-up process has been going on for months from the government and big business - alleging that public sector pensions provide for "fat cats"; that pensions are the principal cause of the financial crisis; that an evergrowing longer-living population will bankrupt the nation; that "we" are living beyond our means; that there needs to be "fairness" and "equality" in pension provision; that we have created a financial black hole sucking the life blood out of the economy; that our pension schemes are unaffordable, unsustainable and will bankrupt us. This list goes on, with regular mantras and tantrums from the press and media.

Already the government has by sleight of hand changed the basis on which pensions are calculated, by moving from the Retail Prices Index to the Consumer Prices Index, an EU model that ignores key British economic indicators such as mortgage payments. There was no need to adopt an economic model that does not fit British conditions except for government loyalty to the EU and the fact that it gives them an easy way to devalue pensions. The net result is to reduce the value of pensions by around 1 per cent a year and to cut pensions benefits by £84 billion over the next 15 years. This will contribute to a poverty-ridden elderly working class.

Another example of government trickery was to have an "independent" review of pension provision by John Hutton, former Labour MP and minister

and now a lord.

Hutton oversaw Labour's pensions attack in 2006–8 and after negotiation with the trade unions agreed the changes in the Civil Service, NHS and Local Government schemes. Now he reappears and produces an independent report which the government has embraced in its entirety. Why? Because it will rip the heart out of public pension provision. Wrapped in sweet words of "fairness" and "equality", it will ensure that the race to the bottom for pension provision is the norm – never a levelling up but a levelling down.

The government, as legally required, is consulting on the proposals but with a clear message to those involved in its negotiations with the TUC that nothing is going to change its position. Nothing other than a serious upping of the ante as the autumn approaches and trade unions look towards action rather than words, that is.

Ironically, while these discussions are taking place the cross-party House of Commons Work and Pensions Committee published a report saying that the pension reforms introduced from 2006 to 2008 under Hutton will ensure that the pension schemes are stable, affordable and will benefit the Treasury by £67 billion over the next 50 years.

#### **Viability**

The report goes on to attack the change from RPI to CPI as devaluing pensions and threatening savings. It says that the likelihood of members opting out of the schemes owing to unnecessary increases in pensions contributions is threatening the viability of the schemes. The report is damning about the impact that slashing public sector pensions will have as poverty and increased demand for health and social care then impacts into local government and NHS provision. The short-termism of the government's proposals will have a significantly destructive long-term result.

The proposed pensions changes, effectively a doubling of worker contributions, have nothing to do with

improving pensions or savings. The increases year on year from 2012 represent a straightforward Treasury tax on pensions.

The government mantra is pay more, receive less, work longer and die before you are able to claim your pension, as the age of retirement keeps being ratcheted up and up. The original state pension introduced in 1909 by Liberal prime minister Lloyd George was only if you reached 70 years (and was means tested). The same writing is on the wall now: work until you die or are too infirm to enjoy your retirement.

Britain's pension funds equate to £1,900 billion, which finance capital jealously eyes. An estimated 20 million people in Britain are dependent on, receive or will receive a public-sector pension, effectively a third of Britain's population. Not that these pensions for the vast majority will be enormous averaging £4,000 for a man and £2,500 for a woman in local government, for instance - hence the government's talk of introducing a flat-rate state pension of £140 a week. What sounds like an improvement for many will be heavily means tested with every obstacle possible to prevent workers receiving it.

The government's consultation exercise is set to conclude by the start of July. A number of trade unions - PCS, UCU, NUT, ATL and others - took strike action on 30 June with further action planned, and other unions are to ballot in the autumn. There are differences in the trade unions over timing and ability to deliver a strike, when, how long and of what effectiveness. Some argue it is better not to provide the government with an excuse to introduce further legislation to effectively outlaw industrial action in the public services. Most public sector unions decided to bide their time until the consultation exercise finished, though the genuineness of the exercise was in doubt with Treasury Chief Secretary Danny Alexander announcing the outcome well before it finished.

Not all public sector workers can or should necessarily act at the same time.



The leftist cry for "all at once, now" creates division and tension. Each part of the public sector differs in the readiness to fight and in the specific issues on which they might agree. Maintaining unity will not happen through TUC-directed action, but through active engagement with each employer.

Slow, gentle persuasion is under way to bring crucial groups of workers not normally associated with the TUC into the camp of organised labour. For instance, unions with no-strike clauses in their rules such as some of the smaller teaching and professional unions; unions not TUC affiliated but with a voice the government shudders to hear when they speak out on professional matters, such as the doctors and nurses in the BMA and RCN; unions involved in the public sector but to a lesser degree than others - Unite, for example. Some unions believe they can find some wriggle room to compromise with the government out of cowardice.

Each union has to be in a position to deliver a legal ballot. Each union needs to be able to generate a legitimate trade dispute, which could be scheme specific. Workers understand that the government is not going to change course after a one-

day stoppage, but that sustained industrial action has to be marshalled on many fronts. A far from easy prospect calling for clear, united leadership and member involvement – both essential – which will not be resolved by mindnumbing chants for a general strike, often by those stood outside the conflict.

#### **Attack**

Nobody should think the government is unprepared for this industrial action. As they had the Ridley Plan in the late 1970s to address how they would attack the trade unions in the then nationalised industries – coal, utilities, transport, docks and manufacturing industry – so they are priming the pump now for what they see as tackling the public sector unions.

Every NHS hospital has since the winter of 2010 been updating its emergency plans to thwart industrial action. These include using retired staff, agency staff, migrant and refugee staff, private contractors and scabs.

This is coupled with rafts of US-style anti-union, anti-collective, anti-worker legislation aimed to paralyse and destroy trade union organisation. (Education Secretary Gove is now calling on parents

and headteachers to thwart teacher action.)

To respond to this challenge we need imaginative thinking, innovative tactics, a propaganda campaign to capture the minds and organising ability of workers to firmly place this discredited and disgraced government in the firing sights of millions of people.

The trade unions need to develop a new unity based not on some "leftist" grouplet trying to seize control with a fake anti-this or anti-that front but on the real involvement and engagement of workers in every workplace. The battle over pensions, provision for everyone's future, gives us a unique opportunity to resurrect trade unionism and workplace organisation. The critical core to all of this is the workplace – being organised and the political understanding that arises from it.

The wider context of the purpose of public service and the government of the country cannot be ignored. Campaigning on that will complement the pension struggle — maintaining the NHS, comprehensive education provision, effective social services, and so on — and not forgetting to neuter the real fat cats. ■

Boxes containing thousands of incriminating documents from the service show the barbarity with which the British Empire sought to power in East Africa...

# 1952 to 1956: The Mau Mau rebellion

SOMETIMES THE past returns in the form of nightmare to shock the present, as has happened with revelations this year from a host of "lost" official documents unearthed this year which confirm British imperialism's violent suppression in the 1950s of the Mau Mau rebellion in Kenya.

The British Empire's connections with Kenya go back to the 19th century, when it developed trade with the East African coast in the 1840s. By 1887 the British East African Company secured a formal lease of land that ultimately developed in 1893 into a British government protectorate. Then in 1920, Kenya became a Crown Colony and its legislative councils were a privilege of the white settlers who had begun to farm there at the turn of the twentieth century.

There was a prolonged pattern of land expropriation by white farmers from Britain eager to acquire some of the richest agricultural soils in the world: for instance, the leading Kikuyu tribe lost 60,000 acres of land, whilst the Giricama tribe from the coastal regions were pushed to and fro.

By 1948, 1,250,000 Kikuyu people had ownership of a mere 2,000 square miles, while 30,000 white farmers had 12,000 square miles. This displacement also provided the white settlers with a ready supply of cheap labour. Meanwhile, the colonial authorities adopted a policy of near total neglect of African farming. But there was a history of resistance to British imperialism from the 1880s onwards notably the Nandi Revolt (1895 – 1905) and an uprising in 1913-14.

Though India won independence in 1948, the British government in the 1940s and the 1950s was split over granting self-government to all its colonies. It was more willing to go down that route in West Africa, but not elsewhere in Africa. The more diehard imperialist members of Macmillan's Conservative government (1957 to 1963) combined with the white settler inhabitants of these countries to protect white minority colonial rule. Earlier, British ex-servicemen had received money from Attlee's, Churchill's and Eden's governments to assist them to establish farms in Kenya.



1952: Armed British policemen hold men from the village of Kariobangi at gunpoint.

This expanded colonisation generated heightened resistance from the Kikuyu tribe, which formed about 20 per cent of the population. Ultimately the Kikuyu and other tribes pursued a course of violence including killings to drive the white settlers out, beginning in the summer of 1952 and continuing until 1956 with sporadic actions beyond that date. The Kenyan Land and Freedom Army was formed. Effectively, a civil war broke out between the anticolonial Mau Mau nationalists and the colonial authorities supported by the British military and collaborators.

The colonial authorities responded harshly, turning Kikuyu districts into police states. There were wholesale arrests and curfews. In 1954, 25,000 British security forces were deployed in Nairobi, leading to internment for tens of thousands. Scores of detention camps, often staffed by white settlers, were established for "screening" (as always with our rulers, language became a casualty too). As many as 150,000 Kikuyu were "screened".

Sanitation was non-existent in the camps and epidemics of diseases such as

typhoid spread through them. Collective punishments were imposed on populations suspected of supporting the rebellion: communal labour; collective fines; further confiscation of land and property, including tens of thousands of livestock.

By the end of the civil war the number of hangings by the colonial courts reached 1,090, a staggering scale of terror. In addition, a "villagisation programme" was set up for over a million rural Kikuyu; its aim was to break the Mau Mau by removing people from the stronghold of their land, establishing new villages with curfews and surrounding the new villages with deep, spike-bottomed trenches and barbed wire. (So that's where the Americans in Vietnam pinched their ideas from!) The civil war was bloody and violent.

In March 1959 widespread indignation followed the deaths of 11 Mau Mau inmates of the Hola prison camp. Though they had been beaten to death by their warders, the authorities first claimed they had died from lack of water. Wholesale revulsion to this act revealed that white minority colonial rule was no longer

## e Kenyan colonial : – vainly – to cling on

possible and hastened a change in the British government's Kenyan policy. Self-government was announced in June 1963 and Kenya became a republic in December 1964. Even then, many white settlers were richly compensated with British taxpayers' money and returned to Britain.

#### In court

In 2011, four elderly Kenyans, who allege they were tortured between 1952 and 1961 by British colonial administration officials during the suppression of the Mau Mau uprising, started legal proceedings against the British government and are seeking compensation at the High Court. They variously claim they were whipped, beaten, sexually abused or castrated while detained under colonial rule.

The British government, though not denying the claims, says it cannot be held liable for the alleged abuse and is fully defending the case, claiming that Kenya had its own legal colonial government that was responsible for the detention camps where Mau Mau supporters were taken. Does the tail wag the dog? No. The imperial government dictates policy in a colony. The attitude of the British government is no doubt determined by the fear of such litigation becoming contagious, spurring other victims of imperial adventures into coming forward.

Boxes containing 17,000 incriminating pages of previously undisclosed documents from the Kenyan colonial service have been "discovered" during research into the legal claims. They were removed from Nairobi at independence in 1963 because of the damning information they held and have been hidden away for almost 50 years to protect the guilty, stored in British government buildings.

These official colonial documents confirm the full extent of British brutality in the Mau Mau rebellion: systematic torture, starvation and even the burning alive of detainees; forced labour in camps; violent interrogation to extract confessions; and the British colonial governor present at beatings. Ripples from Kenya's past still flow.

# More from our series on aspects of Marxist thinking UNEMPLOYMENT— WAR ON WORKERS

We only have one shot at life. Consigning workers to periods of prolonged idleness is a criminal waste of talent and an indictment of this flawed society that treats us as just flotsam and jetsam. For unemployment is endemic in capitalism, and it is a form of violence against the working class, which results in many woes – economic distress, demoralisation, family disruption, malnutrition, ill health and a debilitating separation from the world of work.

Before the capitalist era, unemployment on a mass scale rarely existed, except during wars and natural disasters. Yet permanent levels of unemployment are a contrived feature of life in societies where working populations are dependent on selling their labour power for a wage or salary. Bourgeois society's main purpose is to have the commodity, labour, available as cheaply as possible; this it achieves through the creation of a reserve army of the unemployed.

Capitalism's aim is not only to submerge the unemployed in a sea of poverty, a potential pool of cheaper labour, but also to diminish the power and integrity of the whole working class. Divide and rule. Currently there are over 2,430,000 people registered as out of work in Britain; 7.7 per cent of the economically active population – including 938,000 young people aged between 16 and 24, 15.6 per cent of their age group.

Capitalism is glaringly incapable of fulfilling its own stated reason for existence, namely to exploit people's labour power in order to make a profit. There will always be a substantial core of people redundant and excluded under its regime. It is the anachronism capitalism that should be declared redundant.

Work generates dignity and skill. It allows a class to unite and assemble its strength and power. So given the importance of work, how do we tackle the problem of unemployment? Not by organising ritualistic protest marches, endless re-runs of the Jarrow march. The unemployed must never be disunited from those employed, unspoken of, hidden away from our agenda. The answer to unemployment is employment. Which is why our Party's founding chairman coined the demand, "The Right To Work". Our class's natural reflex used to be to explore collective strength and industrial action to defend or expand the number of jobs. Then, in 1965, the Labour government introduced the calamity of the Redundancy Payments Act and more workers were tempted to chase 'fool's gold' instead.

Our class has to defend jobs, contest reductions, save as many jobs as possible. Workers need to argue for the creation of jobs and apprenticeships for the young, the next reservoir of skill. The baton of working class power has to be handed over to the next generation.

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# Back to Front – Mugging a country

'This is the currency that the Scottish National Party aspires to! Does it want Scotland to be wiped off the face of the map?'

GREECE IS being mugged, forced at financial gunpoint to hand over everything it has to Brussels and the banks: economic and political sovereignty, public enterprises, the living standards of its people. Less than a decade after the first euro notes entered circulation, we are glimpsing the full impact of the single European currency.

The name of the game is political control. That is why the euro, an economic instrument, was introduced – to allow Europe's bankers to control a continent. Never mind that the price is the ruination of countries and peoples.

The euro has turned Ireland once more into an island of emigration. It has brought 20 per cent unemployment to Spain. It has impoverished Portugal. And this is the currency that the Scottish National Party aspires to! Does it want Scotland to be wiped off the face of the map?

Back in Brussels, it's business as usual. Buoyed up by Commission and Parliament salaries and its NATO headquarters, Brussels is one of the richest cities in Europe. Yet more than 20 per cent of the population, the people who actually live there, are out of work. That tells you all you need to know about the European Union.

Meanwhile, in the part of the city they call the European Quarter, the gleaming European Union buildings are still being built and enlarged and new ones planned. The limousines wait purring by the pavements. The unelected and barely elected dream their dreams of power and draw their tax-free salaries. The European Parliament calls for a minimum 5 per cent increase in the European Union budget and Europe-wide taxes – and the end of the British rebate.

But the cracks are showing. Leaks in German newspapers show that country considering heaving Greece out of the euro. Britain's refusal to join has been a major weakness for the EU. And the EU Council of Ministers is now even discussing changing the Schengen agreement to allow internal passport checks during a "crisis".

In truth, every day is now crisis day for the European Union. Its plan for Greece will leave that country's economy in even greater distress than it now is. Outside of the corridors of Brussels or the European Central Bank in Frankfurt, financial commentators are unanimous that sooner or later, Greece will default. They probably know that too in the European Commission and the ECB, but desperate times call for desperate blinkers.

More worrying still for the EU are the increasing numbers on the streets of Athens who are talking about national sovereignty. "Peoples of Europe, Arise," read one banner, and rightly so. There is no "European people", only nations. The working classes of Europe – the British working class included – must claim national sovereignty in their class interest, or see their countries laid waste to feed the avarice of bankers.

The Roman historian Tacitus reported that the British chieftain Calgacus, mustering his troops before facing the Roman general Agricola in northern Scotland around AD 83, said of Rome, "They make a desert and call it peace." Two thousand years later, you could say just about the same of the Treaty of Rome, which set up the EU. It is making an economic desert of an entire continent, and calling it stability.

Peoples of Europe, arise!

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