

Tories and New Labour play the pre-election race card - page 5



Debt relief masks neoliberal attack pages 6 & 7



Where is the Scottish Socialist Party going? page 11



Fake elections change nothing Get the troops out now!

The media worked overtime to sell the Iraqi elections in January as a "triumph for democracy". Praise was heaped on the "brave Iraqis" who stood out against terror and voted. Endless pictures were shown of happy Iraqis in exile, in Britain and elsewhere, going to the polls.

But nothing could hide the reality of these fake elections. In 40 per cent of the country, elections could only take place because of a massive lockdown by tens of thousands of US troops. Even 48 hours before the vote the location of polling stations had to be kept secret. The candidates remained anonymous - represented by numbers for fear of reprisals. Virtually no meetings or campaigning took place in the unsafe areas - which included the capital city. International election observers remained safely in Jordan.

Yet we are told these are the first "free and fair" elections ever to be held in Iraq.

Then how come several major parties and the majority of Sunnis in central Iraq boycotted the poll? How come the population hate the US and British troops who kill, torture and daily humiliate them with near impunity? How come every candidate and party had to be vetted by the US?

It has taken the occupation forces two years to allow elections to take place.

Why? So the US and British governments could put in place their own stooge regime and build up an army and police force trained and loyal to imperialism. So they could privatise Iraqi state assets and open them up to takeover by the US oil and business multinationals.

These delaying tactics, designed to circumvent the wishes of the vast majority of Iraqis to get the occupiers out of their country, are set to continue. The rules of the elections, and the transitional assembly that will come out of it, were laid down by the US. The outlines of the constitution that will emerge from it are already laid down. Another year of yet another transitional government was the only "choice" in these fake elections. The real government and the real power will remain firmly in the hands of the US, backed up by 150,000 troops.

But Iraqis do have another choice. They can - and will - continue to choose the path of struggle. The armed resistance to the occupation has been growing by leaps and bounds. Independent trade unions, like the Basra Oil Union, that resist privatisation and support the rebel cities, are recruiting hand over fist. Women's organisations are courageously demanding their right to fight back.

Iraqi workers, women, youth can kick out the occupiers, the collaborators, the war profiteers. They can estab-



lish the rule of workers and poor farmers, where the wealth of the country can at last be used for the benefit of the people who live there. They can build a socialist republic as a step towards a socialist federation of the Middle East.

And we can play our role in that struggle by redoubling our efforts to get British and US the troops out now and let the Iraqis determine their own future.

Upcoming Stop the War actions
15 February - Direct action day
19 March - Demonstrations in
London and Brussels

THE GREAT PENSIONS ROBBERY

Unite the pensions strikes

New Labour strategists have designed the attack on our pensions to make it appear like a series of disconnected measures. But the only thing disconnected about it has been the union leaders' response. Activists need to understand what is happening in the other unions, as well as their own, in order to win the arguments for unity.

LOCAL GOVERNMENT

Local government workers in England and Wales will be the first affected. From the 1 April new employees will get a pension defined by the new rules. Everyone under 50 years will have to work an extra five years to get the same pension they would have received before. Scottish local government workers will see these cuts introduced in 2006. Local government workers, many already on poverty wages, can expect to contribute more to the Local Government Pension Scheme.

CIVIL SERVANTS

New entrants to the Civil Service from 6 April 2006 will also receive a worse pension. Existing employees will have their pensions changed by April 2013. The Government is proposing to:

- Raise the retirement age from 60 to 65
- Raise employee contributions from 1.5 per cent to 3.5 per cent
- Replace the final salary scheme with an average salary scheme.

This means that workers will have to work five years longer, pay more in – and still end up with less. The BBC

By PCS, NUT, Natfhe and Unison activists

reported that many civil servants would see their pensions halved.

NHS

There is a review of the NHS Pension Scheme, but it is already known that the retirement age will be increased to 65, in line with government policy. The new pension will be calculated on basic pay only, and not on additional pay such as shift payments or unsociable working times. For low-paid health workers, this will have a dramatic effect as many of them receive a large part of their wages from working nights or weekends.

Although the government attack on pensions will be staggered and the changes will vary from sector to sector, the core changes will affect all public

service workers: the pension age will be raised by five years; and we will have to pay increased contributions to get the same amount as we do now.

Most unions affected by the government's attack on pensions are to take action. But it will need to be a militant and determined campaign of action to defeat Tony Blair and Gordon Brown.

ACTION PLANNED

Unison local government workers are to ballot for discontinuous action, starting with a one-day strike, after an 80 per cent "yes" vote in a consultative ballot. The new ballot runs from 14 February to 9 March, leading to possible strike action later that month.

The Public and Commercial Services

union executive is meeting on 31 January to decide whether to ballot for a strike. They will almost certainly time their action to coincide with Unison's.

The Fire Brigades Union has set up a National Pensions Strategy Group to consult with members about whether to join the action. The London Region of the FBU has circulated a motion for branches to call on the executive council to ballot all FBU members for a one-day strike in March.

The NUT will also ballot all members before the Easter holiday. The response will be based on divisional, i.e. local basis, with each division undertaking action, where possible, co-ordinated with other unions. A lively lobby of up to 80 members called for action outside last month's executive committee meeting. 150 people attended a meeting called by Camden NUT, where they also heard speakers from the PCS, FBU, Natfhe and Unison.

Natfhe has declared its support for the TUC Day of Action on 18 February, asking all branches to send someone to see their MP and to take workplace action or joint action with other public sector unions. Sheffield Hallam Natfhe held a pensions meeting recently with Natfhe vice-president John Wilkin as speaker. The branch favours co-ordinated strike action with other unions if possible, in March or April.

Only the GMB has held back. While it will participate on 18 February, its local government members will not be balloted on whether to take joint action with other unions.

BUILD THE ACTION

- Organise joint union workplace meetings – invite local union branches that are already planning strikes, like the local government Unison branches.
- Organise meetings, demonstrations or action for the 18 February.
- Demand that all the unions organise strike action in March – all out together.
- Campaign for a plan of all-out strike action by your union – send in resolutions to the national leadership – as a step towards an all-out public sector strike to force the Labour government to back down.
- No to sector by sector agreement – defend all our pensions.
- Build local public sector action groups in every town and city. These action committees – or social forum-type bodies – should reach out to unions from the private sector, pensioners and community groups.
- For rank and file co-ordination and control of all action. Watch your leaders!

For more information visit the Unison United Left website – www.uul.org.uk – and the Socialist Teachers Alliance web site – www.socialist-teacher.org

THE PENSIONS WE NEED

- For an immediate state pension for all those over 60 years of age based on the minimum of two-thirds of an average skilled workers wage. It should be increased each year in line with wage or price increases, which ever is greater.
- For a comprehensive state pension system – nationalise the pension funds. Place them under workers control.
- State funding for pensions to be paid for by big business thorough taxation on profits.
- Free and full health and social care for all those in retirement. No means testing for the provision of care.
- Pension funds should be used to fund programmes of public works under workers' control – to build homes, schools and hospitals and for the education and training of workers in those sectors, not to line the pockets of the bosses or gamble on the stock market.

Academies – another New Labour rip off

New Labour's desire to give money to their friends in big business is moving up a gear in education. Having brought us PFI, business sponsorship deals and massive profits for private exam boards due to endless testing of the pupils, they are now busy selling off whole schools – and for a very cheap price.

The government's school academies programme is gaining momentum. The first three academies were opened in 2002 but 200 are planned by 2010. Rather than carrying out a pilot to see if the idea of academies was workable, after just two years the programme was increased.

An academy is a publicly funded independent school, owned and controlled by a private individual or company. The sponsor is expected to come up with just £2 million. In return they receive around £23 million from the government to build a new school or refurbish an existing school.

The sponsor appoints the majority of the governing body, the head teacher and the senior management team. They are also able to vary teachers' pay and conditions, to control the curriculum and to establish their own selection procedures.

For an 8 per cent investment, they get 100 per cent ownership and con-

trol! And it is only a one off investment. The running costs of the school continue to be met by the government.

Already existing academy sponsors include Christian fundamentalist, Sir Peter Vardy, Roger de Haan, Chief Executive of Saga Holidays, and the builders, Amey plc. Vardy has attracted public attention through his determination to have creationism taught in the two academies he now controls. He has plans to "buy" several more.

The government has attempted to justify the academies programme by claiming that it is a means of improving failing schools. Originally no school could become an academy unless they had particularly low exam results. It was argued that the new academies would be innovative, creative and freed from the bureaucracy of local education authorities.

With brand new buildings and modern designs, the new schools would miraculously become successful schools. That was the argument.

TWO-TIER SCHOOLING

Innovation? Creationism. Modern designs? Take the Bexley Academy which looks strangely like a Victorian primary school.

And successful? The Manchester Academy actually managed to lower its exam pass rate to just 8 per cent.

So now, rather than scrapping the whole silly idea, the government have decided to change the rules so that it is easier to set up an academy. Now you don't have to be a failing school. An academy can be set up where it can be shown that local schools are not meeting the demand for school places. This

is likely to lead to existing schools coming under pressure to become academies. Indeed this is already happening (See editorial facing page).

Certainly academies will affect other schools. With their new buildings they are likely to seem attractive to many parents. 800 pupils applied for the 180 places at the City of London Academy. Academies could lead to falling rolls in other schools and the right to select pupils will allow academies to "cream off" the more able pupils leading to the danger of creating "sink" schools in the surrounding area.

And meanwhile the National Union of Teachers and the *Times Educational Supplement* have unearthed evidence that half of the existing academies have yet to receive their £2 million sponsorship money, and that in many cases the schools are giving money to the sponsor's business interests rather than receiving any.

"Two academies have paid out large sums of money to companies in which their private-sector sponsors have major interests. West London Academy, Ealing, is sponsored by Sir Alec Reed, chairman of Reed Executive. Its accounts, published in 2004, revealed that the Academy paid a total of £180,964 to businesses and a charity with major connection to Sir Alec Reed. King's Academy, Middlesborough, sponsored by Sir Peter Vardy, was billed by organisations and individuals with connections to Sir Peter Vardy for £290,214, including £14,039 to the Billy Graham Evangelistic Association." (Academies – Looking Beyond the Spin. NUT November 2004)

Of course most academies will be set

up in working class areas. So the business sponsors not only get to rip us off, but they also get to indoctrinate the future workforce. Many academies are promoting vocational courses. Every Friday at the Bexley Academy the whole day is spent doing business studies. Alec Reed is quoted as aiming to produce children who see themselves as "Me plc". The Church of England, alongside many other religious organisations, has been quick to see the evangelising potential of academies.

It is vital that we oppose the government's academy programme. And there are already examples of resistance. Union members, pupils and parents in Waltham Forest recently forced fashion designer Jasper Conran to withdraw from the sponsorship of a planned academy with a lively campaign that included pickets of shops selling Conran's clothes.

Not all campaigns will be won so easily. We can expect New Labour, if re-elected, to try and force through academy schools against the wishes of the local community. Therefore, we need broad and militant campaigns, capable of delivering mass pickets and demonstrations, pupil walkouts and staff strikes, and occupations of school buildings.

Schools should be owned and run by the local community which they serve and not by big business: people who are not interested in the pupils but only interested in making a profit. By building campaign groups to stop the academies, we can also build the alliance of teachers, parents and pupils, that can run the schools under community control.

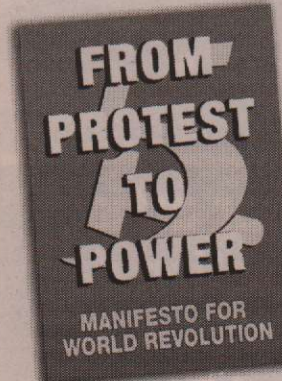
Programme of the League for the Fifth International £1.50 € 2.50

All history proves that the capitalists will never relinquish their property peacefully – to claim otherwise in the age of Shock and Awe is either hopeless naivety or wilful deception. There is only one way: their apparatus of state repression must be overthrown by force. The capitalists' monopoly of military power – armies, police and security forces, prison systems, civil servants, judiciaries – must be smashed to pieces and replaced with the rule of the working people themselves.

This can be done – the majority of humanity can cast off the tiny minority of parasites. It will take mass organisation, an unambiguous strategy and, when courageous and ruthless action.

Some may balk at this, but the alternative to revolution is not decades of undisturbed peace. If the logic of capitalism is left to unfold, our world will be torn apart by starvation, disease, poverty, environmental catastrophe, and war.

In the struggle against capitalism, greater energy is equivalent to greater humanity. For with the suppression of our exploiters and an end to the tyranny of profit, human history can truly begin.



Where now for the Stop the War movement?

THE FIFTEENTH of February 2003 was a day that changed the world. Twenty million people in 600 cities covering all six continents took to the streets to stop the invasion of Iraq. Never before had so many been united on a single global protest.

We are 100 per cent right to commemorate that day. We urge all our readers to remake contact with those they marched with and plan protests on 15 February this year. We need to prove that we have not gone away. We were right then and we are right now. And we will not go away until the last imperialist soldier has left Iraqi soil.

That is why the Blairites and their supporters in the media continue to attack the Stop the War movement. "Do you support democracy or do you support terror, and the reactionary forces of the resistance?" they scream.

We need to give a clear reply to this garbage. We should proudly say back "No we don't support your fake elections held under the guns of the US and British military and, yes, we do support anyone who takes up arms to drive you out of their country."

Does this mean we politically support the reactionary Ba'athist and Islamist forces within the resistance? No. But we do know who is the biggest and most immediate enemy of the Iraqi people: the US and British occupation forces.

It is in the interests of every democrat and socialist to aid and support all those who fight to free Iraq from imperialist domination. Not just from military domination but the economic domination that the US, Britain (as well as France and Germany) want to impose.

As revolutionary socialists we believe that such an Iraq can only come about by ensuring the Iraqi working class come to the head of the struggle - both in the armed struggle against the occupying forces and in the struggle to free the country from the economic exploitation of the

multinationals.

Indeed, if the working class, its parties and trade unions don't take the lead in the struggle against the occupation, they will hand over the resistance to the Ba'athists or Islamists with terrible results.

This is why the role of the Iraqi Communist Party and its supporters in the Iraqi Federation of Trade Unions has been so treacherous. They have lined up with imperialism against the resistance. They have scabbed on the struggle to get the occupying forces out. They have not only entered the stooge government but been given a monopoly to organise trade unions in the public sector.

Fortunately the independent trade unions in Iraq will have none of this. They do not need the imperialist permission to organise and fight the bosses and the occupation.

The Stop the War movement needs to organise itself for a continued struggle against the occupation. Its leadership, particularly the Socialist Workers Party, must stop prevaricating and call for the immediate withdrawal of troops.

If the trade union leaders formally involved in the campaign are in favour of troops remaining "until stability is restored" their members certainly aren't. This is not the time to compromise on slogans but to mobilise in the trade unions and on the streets to counter these arguments.

We must also build links with the fighting trade unions in Iraq and with the women's organisations defending their democratic rights against the Islamist offensive.

By supporting, strengthening and winning over these forces to the perspective of using mass working class struggle to defeat the imperialists, revolutionaries can open the road to the struggle for working class power in Iraq.

This is how we should commemorate 15 February 2003. By refocusing the movement and fulfilling the potential of that day.

Guantanamo detainees get cold reception

Four British citizens flew into the RAF base at Northolt on 25 January. Amid flashing lights and the whirring of sirens they were whisked to the top security police station at Paddington Green.

All four had spent two years or more in the custody of the US military in the barbarous conditions Guantanamo Bay. All four have made serious allegations of torture at the hands of their US captors, solicitors reporting their clients as disorientated and suffering severe anxiety.

After 36 hours the Metropolitan Police released the men into the care of their families without charge. Meanwhile, as if on cue to distract the media's attention and with utter disregard for the plight of British residents still held in Guantanamo, Home Secretary Charles Clarke unveiled to Parliament the Government's latest round of draconian measures, designed he claims to combat the unrelenting terrorist threat.

Clarke's proposals are in response to the Law Lords' ruling last December that indefinite detention without trial of foreign nationals at Belmarsh prison and elsewhere was unlawful. Determined to take over where David Blunkett left off, Clarke has blatantly sought to circumvent the Law Lords' ruling. In short, since the detention without charge or trial of foreign nationals was discriminatory, the answer from this Blairite bruiser is to subject everyone, regardless of nationality, to a regime of restrictions ranging from constant surveillance through to house arrest with no access to the internet or mobile phones. Friends and relatives of supposed terror suspects could be subjected to similar restrictions.

Like Burma, Zimbabwe - or indeed, Saddam's Iraq - "suspects" will be subject to house

arrest, denied outside contact, and their loved ones collectively punished.

So why is Charles Clarke hell-bent on scrapping legal safeguards and basic freedoms? He told a Daily Telegraph journalist: "We are in a state of emergency." This assertion is patently absurd. But Clarke's real purpose is to ratchet up the level of fear and anxiety within the population as a whole.

While more and more people in both the US and Britain have become sceptical of exaggerated or entirely fabricated scares about anthrax and dirty bombs, it clearly remains useful for the state to instill a measure of fear in the face of adverse news from Iraq.

Still, for the many false alarms, it could take only one atrocity, such as the Madrid train bombing, for the Government to attempt to establish an authoritarian framework that makes a mockery of the Human Rights Act. In such an event, Clarke will confer the cloak of legality on the usually covert operations of the secret "state within the state": MI5, MI6 and Special Branch.

Regardless of whether there is another legal challenge, what is at stake is far more than a squabble between the executive and judiciary within the British state. The labour, anti-war and anticapitalist movements need to mount an effective, large-scale campaign against the Government's latest proposals and to start to reverse the erosion of civil liberties since 9/11.

Clarke's legislation would license racist repression and stoke Islamophobia. Its real targets go far beyond a handful of real or imagined al-Qa'ida operatives and include those who will protest against the G8 summit this summer and those who will lead industrial action to resist the further assault on the public sector in a Blairite third term.

Academy threat to Hackney School

Last month governors at Haggerston School in Hackney, East London, told staff, pupils and parents that they were considering the future of the school. They were told that the school's viability was in danger because a new academy is being planned in the next two years, close to Haggerston.

This academy, one of 60 planned for London over the next five years, is called the Bridge Academy and is due to be built on the site of a local primary school that was closed last year. It is sponsored by the UBS bank. It was suggested the "competition" from a brand new school with state of the art facilities would cause a significant fall in pupils wanting to attend Haggerston and therefore the school would not have enough money to survive.

The governors announced that they were considering three options: stay as a community, single sex school; become a mixed foundation school (opting out of local authority control); or become a mixed academy.

The governors also said that the local privatised education authority, the Learning Trust, wanted the school to become an academy and that they had informed governors that if the school did not change it would not get funding from the Hackney bid for Building Schools for the Future.

Since then the director of the Learning Trust has denied this threat. But the governors still insist that this is the position of the Learning Trust and teacher governors have been present at meet-

ings at which leading figures from the Trust have repeated these threats.

The government has recently changed the rules on academies to allow them to be set up where they can show schools are not meeting the needs of pupils in the area. Hackney does have a problem with a lack of school places for boys - particularly after they closed Hackney Downs Boys School in 1995.

But is this the real reason? The Haggerston governors have been holding regular meetings with UBS. Apparently, Haggerston is ideal for an academy; it has large grounds. The school is also in south Hackney, 10 minutes from the City, close to Hoxton and real estate value in the area is £10 to 15 million per acre. At £2 million sponsorship, the school would be cheap!

The staff are opposed to the academy idea and most want to remain in a single sex school. Most parents and pupils agree. Governors are saying they have to make a decision by the end of March due to the threats over funding from the Learning Trust. So it is important to ensure that in the next few weeks the people who actually work in and support the school get their voices heard.

NUT members at the school are planning a lively campaign with pupils and parents, including a demonstration celebrating the successes of the school outside the offices of the Learning Trust.

Send messages to:
Haggerston NUT, Haggerston School,
Weymouth Terrace, Hackney E2 8LS
Fax 020 7739 8603



A counter-demonstration of nearly 100 people confronted 30 NF members in Woolwich, south London, last month. Cops policed the area heavily allowing a pitiful collection of fascists to march around some streets. We can expect increased activity from the NF and BNP in the run up to the election. A militant antifascist campaign committed to stopping them meeting, marching and carrying out other election activity is need to drive the scum back to the gutter.

Journal of the League for the Fifth International No. 2



The Great Miners' Strike: 1984-85 ● Lula: The World Bank's president ● The Basque national question ● Negri and Hardt's Empire: a review ● 'Americanise or bust': The challenges facing Europe ● Communist principles of youth organisation ● A reformist utopia: the Tobin Tax

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Protests greet Lula at the World Social Forum

Dear Comrades

Revolutionary greetings from the fifth World Social Forum (WSF) in Porto Alegre, Brazil. As we write it's 5 o'clock on the evening of the third day of the forum with three more days still to go. Its Summer time here in Brazil and throughout the forum we've been enjoying 30 degree heat and clear blue skies.

This year's forum has been broken down into nine "self organised spaces" ranging from the resistance to war, debt and free trade to reclaiming media and communications from big business. The large plenaries have been abolished in favour of this decentralisation.

At the centre of the event is the huge Youth Camp that has taken over Porto Alegre's central park. Far from being the ghetto that the ESF organisers warned such a space would become young people spill out from it into the main forum itself. Perhaps, as many as 70 per cent of the participants are

young people.

The event opened with a huge march of around 150,000 activists coming together around the slogan, "Another world is possible". It is hard to describe without slipping into the usual clichés - incredibly diverse, colourful, vibrant, loud. Huge samba bands shamed their European cousins in terms of their size and sound. It was impossible not to feel part of a "festival of resistance" to neoliberal capital as the demo weaved around the narrow side streets before spilling onto the docks.

When the unity stopped, the discussion and debate began.

The following morning Lula, the president of Brazil addressed 20,000 participants in aptly named "Gigantino" (little giant) stadium. Two years ago, League for the Fifth International, delegates reported that each word he spoke was greeted with cheers from his hysterical supporters. This time the mood was sombre and quietened. His

presidency has been marked by attacks on Brazil's landless peasant movement and public sector pensions.

Outside, around 3,000 protested against his presence. They were made up of the Landless Workers' Movement, the recent split from Lula's party, the P-SOL, and the United Socialist Workers Party.

The World Assembly of the Social Movements met on the first day. For a global body with potentially so much power to rally the masses to opposition against neoliberalism and co-ordinate an international struggle, it was disappointing meeting. There was no discussion on the way forward. Indeed, there was no discussion from the floor at all! There are other meetings scheduled so we wait to see if a bold call to action will be made.

Today, the P-SOL, had a "national meeting" - around 1,000 people attended. The tendency is made up of a number of organisations familiar to the

British Left - sister organisations of Socialist Resistance, the Socialist Party and the SWP. Leaders of various socialist groups addressed the conference. Alex Callinicos of the SWP was perhaps the least inspiring. No talk of socialism or class struggle for Alex, he told the conference "We are building something similar in Britain, a new party we call Respect."

Tomorrow, is the much anticipated arrival of Venezuelan president, Hugo Chavez. Many sessions have dealt with his "Bolivarian Revolution". His social democratic reforms in Venezuela include introducing healthcare into slums. They have made him a hero to the impoverished workers of Latin America. We expect his reception tomorrow to resemble the cheers that greeted Lula two years ago.

So, what can we make of the WSF? We must always be wary when bureaucrats preach libertarian "decentralisation". Self-organised spaces can empow-

er oppressed groups. They can aid networking. However, they can lead to a lack of political focus. The abolition of the plenaries has cemented the leadership and control of Lula and Chavez, and.

Yet, there is a radical and international movement here, that is desperate for answers in the here and now, but wants radical solutions that can achieve the "other world" so often talked about. Chavez and Lula will soon be caught between the wishes of this movement and the wishes of the ruling classes.

The activists here that have warned against trusting these leaders and fighting instead to build revolutionary parties have been warmly greeted. For our part we have raised the call for a Fifth International and been answered with applause.

In comradeship,
Luke Cooper
League for the Fifth International

Walaja, Palestine: ethnic cleansing's "legal" guise

Dear Comrades

Several bulldozers, Israeli military jeeps and police arrived in Walaja village on 17 January. They destroyed around ten small buildings, on the grounds that they were "built illegally".

Al Walaja currently has 70 homes with demolition orders, all of them pending a final court decision. Israel annexed the Anajwazah neighbourhood of Walaja as part of Jerusalem in 1981, but forbade the building or extension of houses.

Wael Al-Araj, who works in a children's centre in Walaja, put out a call for international support went out, but the buildings destroyed were mostly small farm buildings: pigeon-coups, sheds,

workshops. There were no arrests or injuries.

"What can we do?" asked Al-Araj, "The legal orders of the courts say to stop the home demolitions until a final decision is made, but who knows if the army will comply. Why have they destroyed these small buildings? They don't listen to courts. The highest court of all, in The Hague, ruled to take down the Wall and Israel ignores it; what hope is there for us?"

The next day, the army entered Walaja again, and confiscated the bus: the residents' only other bus was confiscated late last year. The reason for these confiscations is linked to the fact that the bus driver has a West Bank ID card, but Walaja

is technically part of Jerusalem, which means he was "driving illegally."

These demolitions came just two days before a Palestinian holiday, when families were buying food and preparing for festivities. The holiday in Walaja has been ruined.

The Israeli Jerusalem Municipality wants to build a settlement called Givat Yael on the land of Walaja. The only thing stopping them now is politics: Israel does not want to be seen to be destroying villages and building new settlements while "Bulldozer" Sharon is busy painting himself as a peace-maker. However, Israel is stepping up the campaign against Walaja.

In fact, these demolitions are a con-

tinuation of the 1948 catastrophe, or Nakba in Arabic, when over 400 Palestinian villages were destroyed or evacuated. In the twenty-first century, however, this is wrapped up in the language of building or driving permits, ID cards, and court rulings.

Nakba but with better PR.

In the 1967 war, Israel forced the original inhabitants of Walaja village from their land. The remains of the last two houses of the original village, now known as "Old Walaja", still stand empty.

Wael Al-Araj saw his own home demolished in 1990. Yet, he remains steadfast:

"We will never leave this land. We will stay here until we die. We will sleep under

the sky if we have to. Where else is there for us to go? There is nowhere. Put yourself in our shoes-what would you do?"

Who will defend Walaja now? Without international, including Israeli activist support, it is in danger of disappearing. There is no trace left of "Old Walaja" on the Israeli side of the valley; what will be left of "New Walaja" in the years to come?

Salaam Max, Palestine

Salaam Max writes regularly for the L5I's weekly newswire. Subscribe today at: www.fifthinternational.org/newswire/index.php.

Council housing: a thing of the past?

Dear comrades

In 1999 David Curry (Tory housing minister 1993-7) said, "A revolution is taking place in British housing. It spells nothing less than the death of the council house... Once again, the triumph of Tory policies in the hands of a Labour government."

Sadly he was spot on. Last month John Prescott announced the extension of right to buy to housing association properties (about 300,000 homes). Is this the same Prescott who said in 2002, "The right to buy undermined - and continues to undermine - social housing."

And indeed it does undermine social housing. In 2000-01 53,000 English council properties were sold while 18,000 homes built for affordable renting. In London, 11,182 were sold and only 3,000 built.

Council housing has fallen from 5.5 million in 1980 to around 2.8 million now. But this is just the beginning. If Labour gets its way, there will be no council housing left whatsoever. The Fabian Society has argued this should happen within three years and that tenants should no longer have a vote to keep their council landlords.

In reality the government is going down this road, insisting that councils can only bring in extra investment by hiving off their homes under one of three

options: transfers to housing associations, private finance initiatives or arm's length management organisations (ALMO). All of these options are an end to council housing and ignore an 8-1 vote against housing transfers at the last Labour conference.

The government has not had all its own way. Birmingham council tenants voted down stock transfer in 2002, despite the Council spending £6 million on a pro-transfer campaign. However all the ballots have been skewed heavily in favour of the governments agenda. As Frank Dobson said, "Local referendums on whether tenants would accept new management for their council housing involved rigging, bribery and corruption of every sort that you can imagine. Vote for the ALMO and you'll get your house done up - don't vote for the ALMO and you'll live in a shit-heap forever more. Now is that a fair choice?"

The borough I live in and work for, Lewisham Council, has been the same picture. Several wards were balloted on housing transfer. The council spent a huge amount on a "yes" campaign and council officers were told to persuade tenants to vote "yes". However the Save Lewisham Housing Campaign was launched and the tenants came out against the transfer. Then, after the "no" vote, the Council merely

transferred the management of the stock over to housing associations, which didn't require a vote!

Lewisham Council is now attempting to transfer all its stock. At the same time PriceWaterhouseCoopers is being brought in to slash Housing Department jobs and cut back services, when there are over 16,000 people on the housing list and fewer than 2,000 people get re-housed every year. Far less than come onto the list.

Council Housing is now in critical danger. The Labour Party is attempting finish off the privatisation of social housing that Thatcher started in 1980. However all is not lost. Defend Council Housing campaigns up and down the country have shown what can be done.

Unfortunately Dave Prentis, Unison general secretary, has done almost nothing. Unison members must demand that the union act now to stop the privatisation of council housing through strike action and workers refusing to implement the transfer schemes and ballots. This would bring the transfers to a grinding halt. Unison members should use the upcoming election for general secretary to vote for Jon Rogers and demand he leads just such a campaign.

Dan,
Lewisham

Stop the War's school students conference



Dear Comrades.

On 29 January members of REVOLUTION (www.worldrevolution.org.uk) attended Stop the War's school student conference. Attendance was only 40 or 50 due to the lack of publicity. Nevertheless good discussions took place.

The speakers (George Galloway and Andrew Murray) plugged the 19 March demonstration in London and RESPECT for the elections. But there was no assessment of where the movement must go next.

SWP members at the conference were delighted with how well things had gone in the past and are apparently going now. They see the world as it was in 2003: the anti war movement is still as powerful and has experienced no mistakes or setbacks.

What we desperately need is a new victory. The G8 summit this summer can be that victory. The anti-war movement must help create a protest the size of 15 February and with the militancy of Seattle and Genoa. This idea was warmly received and with the right organisation behind it there is every chance of the G8 protests being a landmark for the movement across the world.

Unfortunately the organisers failed to use the conference to co-ordinate and organise anti-war youth and make the ideas a reality.

The movement needs to reflect realistically on its past successes and failures or it will simply repeat past mistakes and will never achieve what it rallied millions to do: stop the imperialist war on Iraq.

Josh,
Sheffield

In the run up to the election all the parties are united in their racism towards asylum seekers, writes *Rekha Khurana*

Tories and New Labour play the pre-election race card

In the week when the world marked the anniversary of the liberation of Auschwitz, Tory leader Michael Howard unveiled his party's racist plans to put asylum and immigration at the forefront of their pre-election campaign by calling for the re-introduction of quotas for refugees. Chillingly, this is the same policy that denied thousands of Jews claiming refuge from the Nazi death camps.

He also announced that if elected he would pull out of the 1951 United Nations Convention on Refugees and turn away every uninvited asylum seeker. Instead Britain will take a quota of 10,000 to 20,000 refugees a year from UN refugee camps in order to "weed out bogus asylum seekers".

These proposals will end the right to claim asylum in Britain. Nobody escaping torture or persecution will be able to flee to Britain to safety - those that manage to make the often dangerous journey to Britain will be turned away without exception.

The plans also include 24-hour security at ports to prevent illegal immigration and an Australian-style points system for work permits -



Zimbabweans demonstrate outside the Home Office at the end of January against the government's continued deportation of them back to Mugabe's state.

giving priority to people with the skills Britain needs. Each immigration applicant will be given a score, reflecting such factors as being well educated or possessing skills judged scarce.

But the Tories are not the only party that will be playing the race card in the run to the elections. The Labour Party has also announced the speeding up of the forced removal of thousands of asylum seekers.

The government boasts on its website that it is removing a far greater proportion of illegal immigrants than in 1997. What it doesn't say is that many of these "forced returned" include countries such as Zimbabwe, Somalia and Iraq!

The Labour government has turned the issue of attacks on asylum seekers into the acceptable face of racism in Britain today leading to increased hostility and hatred towards one of the most vulnerable groups of people in the world by using asylum seekers as scapegoats for their failed policies in housing, education and healthcare and by pandering to the racist lies found in the tabloids daily turning people fleeing torture, persecution, war and poverty into targets for fascist groups such as

the British National Party.

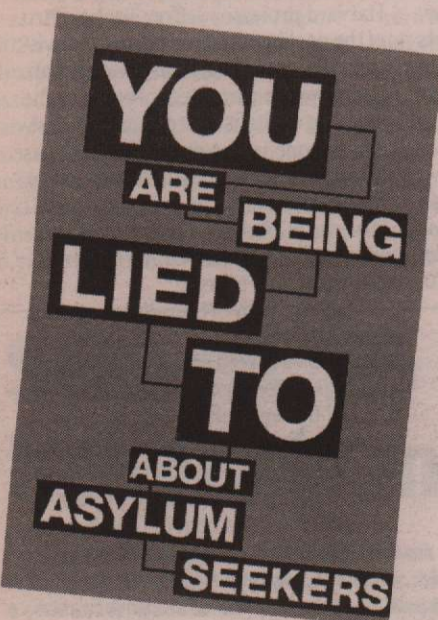
As the politicians pull out the race card in the coming months, we need to explain that mass migration is the inevitable result of globalisation. The same Western governments and corporations that are waging military and economic war on the poor around the world are also responsible for privatisation, spending cuts and attacks on wages and conditions over here.

If Labour only had the guts to challenge the racists, and tax the rich who profit from the system of wars and super-exploitation in the Global South, then there would be enough work and sufficient housing for all who wish to come and live in Britain. Indeed, if we are to believe the bosses when they talk about a "pensions crisis" then we should welcome working age migrants and their families, not just as fellow workers but as sisters and brothers in the class struggle.

- Full citizenship rights to all asylum seekers and migrant workers
- Smash all immigration controls
- Tax the rich and re-nationalise the privatised services to fund a regeneration programme under workers' control.

Workers Power has produced a glossy factsheet, called *You are being lied to about asylum seekers*, for use during the election campaign. The National Union of Journalists, Merseyside Trades Union Council and Bristol RMT, as well NGOs and antiracist campaigns are among those that have already used the leaflet

Excerpts from the "You are Being Lied To" leaflet Available from Workers Power at £20 for 200 copies, £40 for 500 and £75 for 1,000. Make cheques payable to "You are being lied to"



Are asylum seekers and migrants "swamping the UK"?

An recent opinion poll showed the public overestimates the number of asylum-seekers in the UK by a factor of 10 - which means people think there are 1,000 per cent more asylum seekers in Britain than are really here. After years of anti-asylum press stories, British people believe on average that the UK has 23 per cent of the world's refugees. The real figure is below 2 per cent.

Are immigrants draining Britain's resources?

The government's own figures show that migrants and refugees make a huge overall contribution to national wealth. They made a net contribution of around £2.5 billion to income tax in 1999-2000. This means they

bring in £800 million a year more than the cost of running the entire asylum and immigration system.

Are asylum seekers just on the make? Are they mainly bogus?

If so, they'd come from any poor country, not just ones where there is war and persecution. In 2002-3 they mainly came from Iraq, Afghanistan, Somalia, and Zimbabwe. The only thing these states have in common is war and repression. There is no other common cause of mass movements of people seeking asylum.

Aren't they mainly illegal?

No - there is no such thing as an illegal or bogus asylum seeker. Anyone has the right to apply for asylum, and to stay here until there is a final decision on their application. Stories about "illegal" and "bogus" asylum seekers are designed to make you think that they have done something wrong by even applying.

Does Britain take more than its fair share?

Far from it. Britain is 32nd in a worldwide league table of countries taking asylum seekers. The countries with the highest numbers are all poor, developing countries. Pakistan has most refugees, with more than 2 million. Then comes Iran with more than 1.8 million - more than 27 for every 1000 inhabitants.

Even in Europe, Britain comes seventh for the number of applicants for asylum per 1,000 inhabitants. When you take size of population and the wealth of the countries into account, Britain comes 10th in Europe.

But they must be abusing the welfare system?

Hardly. Asylum seekers get just £37.77 a week - 30 per cent below the poverty line. They are not allowed to claim other benefits.

Don't asylum seekers and migrants cause crime?

According to a report from the Association of Chief Police Officers, there is no evidence that they are more likely than other people to commit crimes. People trying to find protection from victimisation in their home country are likely to become victims of crime in the UK.

Are asylum seekers causing unemployment?

No. In fact few are even allowed to work. This is despite the fact that the UK's working population is declining and that the education and health services are crying out for staff. The EU estimates that Europe needs 1.6 million new workers a year.

Aren't they draining resources from the NHS and adding to waiting lists?

No. Migrants have made a massive contribution to the NHS from its start in 1948. Today, 23 per cent of doctors and 47 per cent of nurses were born outside the UK. Many nurses were trained in their countries of origin, paid for by the taxpayers of poor nations like Zambia and Nigeria.

According to the Treasury's own website, Britain's health spending as a share of gross domestic product is lower than in any other similar country. A report by the Office of Health Economics revealed that the UK spends £970 per person on health - compared to £1,400 in France and £1,700 in Germany. A review of 30 developed countries revealed that globally only Mexico, Turkey, Korea, Ireland and Luxemburg spends less than we do on health provisions.

This dispels the myth that asylum seekers are the reason for the drain on NHS resources.

So why are so many people against asylum?

Because politicians haven't countered the massive press campaign. The Tories are trying to use asylum fears to get elected.

That's why so many people's ideas are so far from the actual facts. Forty eight per cent believe that "few asylum seekers are genuine" and 58 per cent of 15 to 24-year-olds believe they do not make a positive contribution to life in the UK (Mori Poll, June 2003).

Despite the propaganda, though, an overwhelming majority - 78 per cent - agreed that Britain "should continue to let in people seeking asylum if their claim is genuine".

The campaign against asylum seekers is not racist, though, is it?

Yes it is. The press campaign is just one stage in a long history of attacks on immigrants, using inflammatory terms like "scroungers" and "parasites", "swamping" the country in a "flood". They did the same to earlier generations of refugees and other immigrants to this country.

Isn't the campaign against asylum seekers standing up for ordinary working class people?

No - it's an attack on the interests of working class people. The campaign against asylum seekers won't lead to a single affordable house being built, a single hospital waiting list being reduced, a single school being built.

The campaign relies on ignorance and fear. Polls show that working class people in integrated areas show less hostility to migrants and refugees than they do in all-white areas.

Anti-asylum propaganda diverts attention away from the real causes of poverty, bad housing, underfunded hospitals and schools. It blames working class people from other countries for the problems here. It divides working people against one another and weakens movements to change things for the better.

That's why it's trade unions and the working class movement that often takes the lead in opposing racism.

The International Bank for Reconstruction and Development, (World Bank) was set up in 1948 to channel funds to rebuild second world war-torn economies in Europe. It did this either by providing loans itself or by underwriting loans from private banks.

In the late 1950s, the Bank shifted its attention to Africa, Asia and Latin America. Here, countries were so poor that they could not meet the World Bank's interest charges and the US feared that they would turn to the Soviet Union for support. To counter this, a subsection of the World Bank, called the International Development Agency, was established to channel soft loans to these regions and, thus, maintain the World Bank's domination.

The 1970s saw an explosion in Third World indebtedness. In 1970, it totalled \$75 billion but by 1985 this had mushroomed to \$900 billion. Banks, which were awash with money after the Opec oil price rise of 1973, were eager to pump loans into the countries of Africa, Asia and Latin America.

The ruling classes of those countries were just as eager to borrow. Many loans were tied to arms contracts which strengthened repressive military regimes, for example, Chile and Argentina, at the same time they boosted the profits of the arms companies. Other loans financed prestige projects which did little or nothing for the people but lined the pocket of contractors and dictators. Still more were simply stolen and hidden away in the private bank accounts of dictators such as Marcos (Philippines), Mobutu

plans on nearly 40 countries which were forced to go to it for loans. The IMF gurus argued that implementing these structural adjustment plans would be painful in the short term but would lead to growing economies. The reality has been somewhat different.

The mechanism used is the same in every case. The IMF formulates a letter of intent in which it sets out the conditions upon which a loan will be made. The funds are only released when the debtor government signs this letter. This means that the agreement is not published and does not have the status of an international treaty. As a result it does not have to be ratified by a national Parliament.

The structural adjustment plan for each country is also virtually the same; devaluation of the national currency, jacking up interest rates, cutting back on government spending (especially social spending and subsidies for food) an increase in prices charged by state enterprises such as energy and water or their privatisation, a cap on wages and a restriction on credit. All have the same aim: to restore the balance of payments by restricting domestic demand and thereby cutting imports while boosting exports by lowering their price.

A success, in IMF terms, means increasing export income and attracting foreign capital to invest in the country. The increased income is immediately earmarked for debt repayment while foreign capital finds that assets are now much cheaper than they were before. As a result, the banks get their pound of flesh and the country sur-

Blair and Brown relief masks

The past few months have seen a lot of noise about debt relief with both Blair and Brown demanding action. **Keith Spencer** looks behind the rhetoric and finds that the plans will fasten indebted countries even tighter into the IMF and World Bank

How the west controls debt

Keith Harvey outlines the history of Third World debt and how the IMF and World Bank have used debt to force through neoliberal economic policies and strengthen political control by the west

(Zaire) or Suharto (Indonesia).

Throughout the Cold War the most brutal and corrupt of Asian, Latin American or African regimes could rely on receiving more loans and be confident of re-scheduling when payments became difficult – as long as they were loyal to the west. Nothing was heard in those decades from London or Washington of the need for accountability, transparency or democracy.

The crises and recessions of the 1970s, however, led to a collapse in demand for the traditional exports of the Third World. As a result, interest payments consumed a growing share of a declining export income. The ratio of debt servicing to export earnings went from 15 per cent in 1977 to over 25 per cent in 1982. During the same period, the total Third World countries' debt payments went from \$40 billion to \$121 billion. The debt crisis was made worse by the US decision to raise interest rates from seven per cent to 17 per cent in the years 1979 to 1982.

The crisis broke in August 1982 when Mexico threatened to default on its international debt. With much of the rest of Latin America also facing bankruptcy, the banks demanded that the IMF step in to act on their behalf. It was after this that the IMF moved to centre stage.

In 1978, the US had demanded, and won, an amendment to the IMF charter which expressly included a clause that loans would be subject to countries meeting IMF specified economic reforms. Now, the IMF used this to force its structural adjustment

renders more of its economy to the multinational corporations.

With the end of the Cold War the need for the World Bank and private banks to be conciliatory to highly-indebted regimes for political reasons faded. Loans were made more conditional, tough conditions imposed on re-scheduling.

Loans (or debt relief) for strategically important countries however continue to be extended for purely political reasons. Pakistan for example was rewarded with a \$1 billion debt write-off (a third of what the country owed to the US) in return for Musharraf's support for Bush' war on terror after 9/11. Two months after the New York attack the Paris Club of sovereign debtors agreed to offer Pakistan a \$12 billion reprofiling of loans for 38 years in which the government would have to pay nothing in debt service for the first 15 years!

In January 2003 when the US was looking for support for its impending war against Iraq among UN member states, Ethiopia was treated to a \$30m write-off of loans by the US government.

Debt is a catastrophe for scores of poor countries. It impedes their national development and enforces poverty by diverting precious revenues to international banks or rich nations' coffers.

Debt gives the G8 nations political leverage to demand domestic economic reforms that benefit western multinationals and ruin local suppliers and producers, or enact political changes for which there is no democratic mandate within the country concerned.

One in five people on the planet live on less than a dollar a day. The poorest 70 countries in the world owe \$80 billion in debt. The richest countries in the world give less than \$65 billion in aid a year, much of it tied to furthering their own economic interests. In contrast the world spends \$900 billion on its armies each year. These are some of the stark facts about debt and poverty in the 21st century.

In January Gordon Brown and Tony Blair held simultaneous meetings about Africa and debt. Each sought to upstage each other in showing their "concern" for the world's poor. Noting the outpouring of compassion for the victims of the Tsunami, they no doubt thought it was a very good time to shore up their support after the invasion of Iraq had alienated so many of their traditional supporters.

Gordon Brown has called for a new Marshall Aid Plan, an equivalent to the aid plan that helped rebuild Europe after the second world war. Both him and Blair spoke about how they would use the British Presidency of the G8 and the EU this year to push radical plans for increasing aid and debt relief. No doubt they will use these plans to try and blunt opposition to the G8 summit in Scotland this summer – presenting this gathering of imperialists as some sought of 'debt relief summit'.

One thing that Brown cannot hide is the complete failure of previous plans of the rich nations to aid the poorer countries. The so-called Millennium Development Goals set in 2000, small though they were, have turned into a fiasco. By 2015 the aims were: to provide primary education for all; to have halved poverty; and cut infant mortality by a third. On current rates of progress the primary school target will be hit in Africa by 2129 and the infant mortality target by 2165!

Brown recently took a trip to Africa to emphasise his commitment to eradicating poverty and debt (and no doubt to give himself the air of the caring international statesman while Blair stayed at home). In Tanzania he made his most radical proposal: that the UK will pay 10 per cent of Tanzania debts owed to the World Bank because the UK has a 10 per cent share in the bank. He also said that Britain would do the same for the poorest 70 countries that owe the World Bank and IMF \$80 billion. Brown encouraged other developed countries to do the same "Our wish is to have 100 per cent debt relief and we hope that the US, Japan, France and other European countries will follow in this effort."

He also called for the rich countries to increase their aid budgets to 0.7 per cent of GDP and wants another £27 billion given in aid each year to poor countries, which would more than dou-



Brown says he offers Africa hope but his plans are cheap compared to what is needed

bles existing world aid.

Radical sounding stuff until you look at the figures. Paying Tanzania's debts to the World Bank would cost the UK £3.5 million a year – peanuts to the government. Paying 10 per cent of the debts of all the world's poorest countries will cost the Treasury about £1 billion a year until 2015. This is cheap compared to the cost of waging war on Iraq – currently £4 billion and rising.

Another proposal ensuring all the richer countries spend 0.7 per cent of GDP on aid is only rehashing an old policy that has not been met. In 1970

In exchange for aid countries have had to cutback welfare, charge for schooling and privatise state-owned industry

the richest countries told the UN that they would increase their aid budgets to 0.7 per cent of GDP, currently only Luxembourg, Denmark, Netherlands, Norway and Sweden do. Ireland, Belgium, Finland, France, Spain and the UK said they would do it by 2015. Germany has said that it cannot increase aid because its budget deficit is too big. The US which accounts for a quarter of the world's aid budget and has always seen aid as an arm of its foreign policy goals, spends about 1.5 per cent of its GDP.

Even US treasury secretary John Snow was able to criticise Brown's plan for not being radical enough – he called for scrapping the debts and replacing loans with grants. And of course what is been referred to here is only debts underwritten by governments and their international institutions like the World Bank. It says nothing about the large debts owed to the private banks and

finance houses who make billions from the indebted countries.

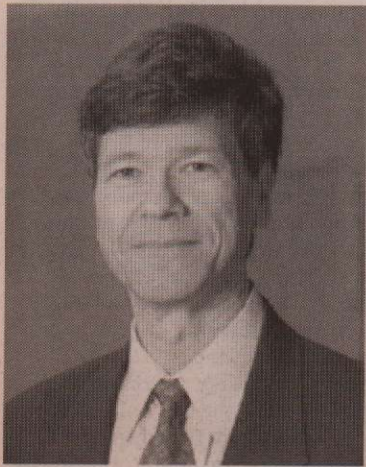
Scrapping the debt has also been called for from another unlikely source: Harvard professor Jeffrey Sachs, guru of the neoliberals and now special adviser to UN general secretary Kofi Annan. Sachs was the architect of some of the big bang capitalist restorations in Eastern Europe in the early 1990s. It was his ideas that led to widescale poverty, misery and exploitation in the ex-Stalinist states. Today, he puts himself forward as the friend of Africa and a fighter against poverty.

Together with UN development chief Mark Molloch Brown, Sachs has produced a 3,000-word report called *Investing in Development*, which will go to the UN in September. The report proposes raising the world's aid budget to £72.5 billion, or 0.5 per cent of the GDP of the richest countries by 2006, hitting the 0.7 per cent of GDP benchmark by 2015. The report also calls for fast-track help for those countries that already meet "good governance criteria" such as Ethiopia and the distribution of free Mosquito nets to Africa – currently a million children die a year on the continent from malaria, one every 30 seconds.

The devil is in the detail. The Sachs report says much more about trade liberalisation and privatisation. It states that the poorer countries should get rid of trade barriers and protectionism and open themselves up to the global multinationals. This is just an extension of the structural adjustment programmes that have brought such destitution to Africa over the past 20 years.

In exchange for aid countries have had to pursue policies that have led to cutbacks in welfare, charges for schooling, privatisation of state-owned industry including such basic services as water or food storage in areas prone to drought and famine.

Brown's fake debt neoliberal attack



Sachs: report wants more liberalisation

Health has been one of the first areas to suffer. For example the average life expectancy in Africa rose from 44 to 50 years old in the 1960s and 1970s. But the past 25 years has seen life expectancy drop by an average of 15 years across sub-Saharan Africa – the period when the IMF and World Bank took greater control of the continent. Aids is the biggest killer but a whole host of other diseases, plus famine and malnutrition stalk the continent. At the same time the huge multinational drug companies fight tooth and nail to defend their over-priced drugs.

The result according to the UN's *Least Developed Countries Report 2002* report has been that structural adjustment programmes have been "associated with increased poverty". Many countries, such as Senegal (see box), currently experiencing riots on the streets, have been ruined by structural adjustment. Sachs and company refuse to look at the results of the past 25 years of neoliberalism and want

more of the same.

Furthermore they plan to take greater control of poor countries to push home this agenda – a creeping re-colonisation seen elsewhere. The report states that in exchange for aid and some trade concessions, such as allowing migration to imperialist countries to fill skills or labour shortages, the poor countries should hand over rights to determine their own policies.

Countries carrying out structural adjustment programmes have also to put into action poverty reduction strategies as part of aid deals. Yet in return for further help, the Sachs report wants the World Bank and IMF to have a greater say in these strategies. Currently nine out of 10 strategies call for privatisation and seven out of 10 advocate more liberalisation, both of which are policies that led to increased poverty in the first place. If the UN, or more importantly the G8, backs this document then the institutions of world trade and economic slavery, the World Bank and IMF, will increase their grip on poorer countries.

Such controls are often justified by blaming the leaders of African states for plunging their countries into debt and corruption. Corrupt dictators and governments there certainly were, and are. But who put these leaders into power in the first place? Figures like Mobutu of Zaire who looted billions were kept in power and swamped with aid because they were seen as "anti communist" friends of the west. Others like the Nigerian dictatorships were major arms buyers, paid to ensure lucrative contracts and oversee the smooth extraction of oil.

There is a unifying theme to all these arguments about the need for debt relief coming from the likes of Blair, Brown



G8 meeting welcomes African leaders but policies ruin the continent

and Sachs; the current system of debt is so crippling Africa that it is reducing the opportunities for capitalists to export and invest in new markets in the area. So obvious has this become that and Sachs; the current system of debt is so crippling Africa that it is reducing the opportunities for capitalists to export and invest in new markets in the area. So obvious has this become that and Sachs; the current system of debt is so crippling Africa that it is reducing the opportunities for capitalists to export and invest in new markets in the area. So obvious has this become that

and road blockades, co-ordinated through local social forums, show the way forward.

But the institutions of global capitalism such as the World Bank, IMF and the UN cannot be reformed as is demanded by the NGOs they need to be abolished, they are organs of exploitation not aid.

In launching his Africa Commission last year, Blair said: "Africa is the only continent to have grown poorer in the last 25 years." But he didn't ask why. It is because of capitalism and globalisation

The poor peasants are either weighed down with onerous rent obligations or burdened with debt as a result of harsh purchase terms. For the poor peasants we demand: abolition of rent

and renunciation of all debts to the rural usurer, the urban banker and the merchant; free credit to purchase machinery and fertiliser; incentives to encourage subsistence farmers to voluntarily join production and marketing co-operatives.

The solution to land hunger, high rents, crushing debt and primitive technology can only be reached through an alliance of the peasantry with the working class in the revolutionary overthrow of global capitalism.

Developing countries should nationalise under the control of workers and peasants the multinationals, farming conglomerates and banks that suck profits and resources out of their countries.

Land should be taken from the big farmers and corporations and given to the farm workers and poor peasants; they must be given the loans and technical aid to allow them to develop the land as successful co-operatives.

To achieve these measures we need governments that act in the interests of the workers and peasants, not in the interest of international capitalism and its agencies.

In launching his Africa Commission last year, Blair said: "Africa is the only continent to have grown poorer in the last 25 years." But he didn't ask why. It is because of capitalism and globalisation.

If we want Africa, and the world, to grow richer we need a party of world revolution that can destroy the causes of poverty – not a "band aid" from the rich.

Debt and Africa

Half of the people on the African continent live in poverty, and in many countries economic conditions have been getting worse for the last 20 years or more. The greatest barrier to economic recovery is the region's overwhelming debt burden, which amounts to about \$230 billion.

The facts speak for themselves:

- The external debt burden of sub-Saharan Africa has increased by nearly 400 per cent since 1980, when the IMF and World Bank began imposing their structural adjustment programmes.
- External debt per capita for the region (not including South Africa) is \$365, while GNP per capita is just \$308.
- The external debt for the region (again excluding South Africa), at some \$203 billion in 1996, represents 313 per cent of the annual value of its exports.
- Africa spends four times more on debt interest payments than on health care.

Thirty-three of the region's 44 countries are designated heavily indebted poor countries by the World Bank; most of the rest nearly qualify for that ranking. As a result the IMF impose harsh conditions, and investors shy away from countries with unsustainable debts.

Much of the debt accumulated by African countries was built up during the 1970s, a time of reckless lending by banks and international agencies, and was agreed to by undemocratic governments.

In many cases, the population of the borrowing country realised little benefit from the loans as the money disappeared in failed infrastructure projects, corrupt schemes, or unwise investments. The debt has continued to grow since then as governments take out new loans to pay off old ones.



In 1996, sub-Saharan Africa (minus South Africa)

paid \$2.5 billion more in debt servicing than it got in new long-term loans and credits. The IMF alone has transferred over \$3 billion out of Africa since the mid-1980s.

It is the poor people of the indebted countries, those who benefited least, who end up paying the bills through scarce resources diverted to debt servicing, and through the effects of the IMF/World Bank austerity programmes.

Average real wages decreased in 26 out of 28 African countries surveyed during the 1980s. Cuts in health spending have led to an increase in infant mortality; African children account for about 40 per cent of infant deaths worldwide.

Millions of small farmers, especially women, have been devastated by IMF-induced cuts in credit and agricultural services. Some 40 per cent of the population suffers from some degree of malnutrition.

Senegal: 25 years of free trade misery

Senegal has been following IMF and World Bank policies for the past 25 years. Prior to this period the state played a major role in developing the country. But a series of droughts in the 1970s forced Senegal into the hands of the IMF and World Bank.

The key planks of Senegal's structural adjustment programme have been cuts in public spending, liberalisation of trade and investment – opening up the country to foreign capital without any controls, and a concentration on 'export led growth'.

These policies have indebted Senegal to an even greater extent. Since 1981 there have been 13 agreements to reschedule debts; in 2002 external debt accounted for 70 per cent of GDP and more than 200 per cent of its export revenues.

The increasing debt went hand-in-hand with rising poverty and unemployment. Agriculture and industry collapsed because the state sector was dismantled in 1990s. Cheap imports, subsidised by the rich countries, flooded the markets driving farmers and small producers to the wall.

In 2002, the groundnut industry was partially privatised and production fell to a third. The government had to borrow more money to offset this crisis. Now there is pressure to privatise the rest of the industry.

In 2000 the World Bank set up a 10-year programme of debt relief. But after carrying out all the required reforms over a decade, Senegal will only receive relief amounting to only 17 per cent.

It is now ranked by the UN as one of the least developed countries on the planet. Mass unemployment has led to outbreaks of rioting with troops being sent against student protesters in the capital this month.

Bolivia: neoliberals in retreat

An indefinite general strike has booted out the multinational in charge of water, writes *Dave Ellis*

In a major blow against privatisation and neoliberal policies in Latin America, the largest water services corporation in the world, Suez Lyonnaise des Eaux, is leaving Bolivia. It has been driven out after a determined struggle by the people of El Alto, a city near the capital La Paz.

The Federation of Neighbourhood Committees (Fejuve) of El Alto organised an indefinite general strike in January to kick the company out of the city. The strike was backed by the local trade union federation, the COR, as well as the peasants organisations and was a huge success. For three days the whole population was mobilised and the roads to La Paz were blocked.

The multinational had led a consortium that was granted the contract to provide water and sewage utilities in the area. But the company in Bolivia, Suez-Aguas de Illimani, refused to invest in providing running water for more than 200,000 of the inhabitants of El Alto and instead, imposed a price increase for connection to the main water and sewage system.

The company demanded the Bolivian state and international donors to find them funds and credit to expand the water services in the city. The population of El Alto responded saying that any donations and credit should go to a national public (state-owned) company and not to a multinational corporation making huge profits. The population demanded that water be a public service and not a private business.

Faced with this situation and with the magnitude of the strike the Government issued a Supreme Decree for the termination of the contract with Suez-Aguas de Illimani not only in El Alto, but in La Paz as well since the systems are joined.

In the coming months the old municipal company will take charge until a new community company is constituted with the participation of the local population and under the control of the Fejuve.

El Alto leads the struggle

This latest battle of people of El Alto, the *alteños* as they are known, is not their first and it will not be their last. In the "gas war" against the privatisation of natural gas resources the *alteños* were in the forefront of the struggle, a struggle that eventually led to the resignation of the then president Sanchez de Lozada. It was during that struggle that the Fejuve was set up, co-ordinating the actions of the residents of the city with meetings of the representatives of



El Alto demonstrators against privatised water

neighbourhood committees and local trade unions.

The mainly Aymara population of El Alto has continued to lead the fight against the new president Carlos Mesa who has maintained the policy of privatising Bolivia's natural resources and refused to bring to justice the politicians, police and army officers responsible for the deaths of scores of anti-privatisation protestors in October 2003.

As the *alteños* like to say, El Alto is a city always on its feet and never on its knees.

It is a poor city. Most of its residents survive on less than \$2 a day. More than half the city's population do not have access to decent water and sewage

facilities. But it is a city of hope; one where the people stand together in solidarity to fight for an end to poverty and injustice and for a better life.

Last September the Fejuve issued a list of demands agreed to after a long discussion in the neighbourhood meetings and workplaces. The Fejuve presented this as a letter to the nation, the "Pliego Nacional".

In this letter the *alteños* demanded the nationalization and industrialization of Bolivia's natural gas, the recovery of state enterprises that have been privatised, the expropriation of various politicians' properties, the repeal of Supreme Decree 21060 (which in 1985 essentially established neoliberalism in

Bolivia), as well as better healthcare, employment and education.

But the government of Carlos Mesa refused to listen to their demands. So the Fejuve went back to the workers of the city to discuss what actions to take. They spent weeks debating what to do next.

On 15 November the *alteños* returned to the streets. A 24 hour general strike was organised. It was the biggest mobilisation since October 2003. The *alteños* gave the government 48 hours to respond to their demands. Now the *alteños* had added the demand to expel the transnational corporation Aguas de Illimani from Bolivia.

Negotiations with the Fejuve

Fearful of a repeat of the events of October 2003 various state and governmental officials made contact with the Fejuve to begin negotiating, point by point, the demands. Even ministers and vice ministers were forced to go to El Alto to begin the negotiations. During the negotiations Fejuve President Abel Mamani made very clear the attitude of the *alteños* to the private water company, "We didn't come here to discuss what to do to improve the service or lower our bills. We're going to start with the root of the problem: Aguas de Illimani simply must leave."

The Fejuve representatives demanded all documents related to the company be handed over to them to scrutinise. The government representatives felt they had no choice but to concede to their demands. But they did not implement them. They had merely agreed to them to buy time, hoping it would defuse the situation in El Alto. After government inspections and investigations were carried out, it was claimed the company was meeting its responsibilities. Fejuve broke off negotiations with the government, and announced an indefinite general civic strike beginning Monday, 29 November 2004.

The now desperate Mesa administration offered to review their contract with Suez, hoping some breach of contract by the company could be found. This way the entire process could end with the company's "legal" exit. The people of El Alto agreed to rejoin the dialogue, unwavering in their demand that the company leave, but giving the government until 20 December to comply.

The company refused to co-operate threatening a resort to international law. Suez President Gérard Mestrallet is a personal friend of French President Jacques Chirac. A meeting between the Fejuve leaders and officials from the

French embassy in Bolivia ended with threats of international lawsuits, and with a phone call from Chirac to Mesa enquiring about the "security of French investments" in the country.

By now the workers and poor of El Alto had had enough of manoeuvres and compromises. They declared an end to the period of dialogue with the government and began organising for the indefinite general civic strike from Monday 10 January. For three days the El Alto was paralysed and the capital, La Paz, blockaded.

On the morning of Tuesday, 11 January, the Bolivian government offered to terminate the contract with Suez. In the Ceja area of El Alto, near the border with La Paz, an emergency meeting was held of the more than 600 neighbourhood committee presidents. They had to decide if this was enough to end the strike, or if it was a trick and they needed to take more militant action. The meeting decided to press home their advantage.

After an anxious meeting at Fejuve's headquarters, the city's nine districts agreed that night to demand the president issue a supreme decree ending the contract, and gave him 24 hours to do so. If not, they would march down into La Paz and occupy all of Aguas de Illimani's installations by force. The meeting had not been over for 20 minutes when the government called: the decree would be ready at 8 o'clock Wednesday morning.

Inadequate response

Yet even when this response came from the government it was inadequate, because nowhere did the decree mention expelling the company as soon as possible. Once again, the *alteños* discussed how to proceed. The government's statement, they decided, would have to say "immediately," or it would be worthless. The government sent out the decree, now official, that ordered "all immediate action" be taken to terminate the contract.

After three and a half days of strikes and blockades, the people met all around the city to discuss whether or not to accept Supreme Decree 27973. This time they decided it would be enough. The march on the Thursday became a victory parade and 20,000 *alteños* marched into the heart of La Paz to celebrate.

One woman leader of the Fejuve reflected on the events, "El Alto is on its feet and now we're going to get rid of Electropaz [the electric company owned by the Spanish Iberdrola corporation], and to win every one of our demands."

Peru: nationalism no answer to crisis

While most Peruvians were busy celebrating the arrival of the new year, in Andahuaylas (in the Peruvian Andes) a group of around 200 armed rebels, led by Antauro Humala took over the town's police station and later the whole city. The assault led to the deaths of five police and two rebel fighters.

In his first public declarations Humala demanded the resignation of President Toledo and the restoration of the 1979 constitution that was abolished by Alberto Fujimori while President

in the 1990s. He also insisted that the army withdraw from the area and allow the peasants to grow coca leaf – a direct rebuff of the government's US-backed coca eradication plan which is destroying the lives of the country's Andean small farmers.

It was clear from the media reports that the local population backed the uprising and it especially attracted the backing of the town's youth aged between 14 and 18.

In response the government took over the airwaves to insist "the country close ranks for

the defence of democracy" and lyingly accused the rebels of being in league with the narco-traffic mafia.

Antauro Humala and his brother are two ex-army officers. In October 2000 they led a rebellion in a barrio under their control against the then President Fujimori. This was shortly after a series of video tapes were made public proving the corruption of Fujimori's regime, proof that eventually led to his downfall.

For their pains the Humala brothers were kicked out of the army but they went on to found

a nationalist movement, labelled "etnocacerismo" after their hero Andrés Cáceres, a military leader who became President and led the resistance to the invasion of Peru by Chile in the years 1879-83.

Humala's ideology is a mixture of nationalism and indigenous racism directed against Chileans. They demand the recovery of the territories lost in the Pacific war (1879) and the removal of Chilean investments in Peru (which is the third largest investor after the USA and Spain). Humala also looks for

inspiration to Venezuela's President Chavez.

In the period 2000-3 the Humala brothers were able to produce a paper with the backing of numerous ex-soldiers which was distributed widely during the antiprivatisation struggles in Ariquepa and Cuzco; they also took part in the coca peasant demonstrations of last year. The uprising in Andahuaylas was ended after three days by the intervention of the military and the surrender of Humala.

The pressing issues facing the

Andean peasants do indeed require revolutionary action – land seizures and armed resistance to the government backed campaign to eradicate their coca crops – their only source of income.

But only the concerted action of the Peruvian urban working class alongside the peasants has the power to force Toledo out of office and impose a workers and peasants' government. Humala's military nationalism combined with anti-Chilean chauvinism only represents a dead end for the masses.

France: public sector strikes hit back at Chirac

French workers took to the streets last month to stop Chirac's attacks. *Marco Zito* reports

In January hundreds of thousands of French workers displayed their anger against Chirac's government: a wave of strikes and demonstrations swept the country. First the postal workers on 18 January, then the following day the railway and electricity workers, and then on the 20th most public sector workers (from teachers to health workers) came out on strike. Demonstrations were held across France, involving hundreds of thousands of workers.

The reasons for workers to demonstrate are many. The public sector is faced by relentless step-by-step privatisation, threats of redundancy and wage restraint. Chirac is fully committed to the EU's "Lisbon Agenda", which aims to bring a dose of British deregulation and neoliberalism to mainland Europe.

EdF (electricity), while still in public ownership, has been transformed into a corporation, ready to be privatised. On the railways, the track and signalling system has been separated off from the trains, ready no doubt for a potential sell off. The nationalised sector will soon be left with only the unprofitable branches, like freight where cuts have already started.

In the rural areas, 5,000 post offices will be shut and the postal service will concentrate on more profitable financial services. Health workers and teachers are under pressure to work longer hours under worse conditions.

The mounting pressure from rank and file public sector workers to take action was something the trade union leaders had to accommodate to. But they are only seen by these leaders as a means of strengthening their hands in negotiations, and allowing the workers to "let off steam" in a series of one day actions. Only the SUD federation, G10-Solidaires, correctly called for an indefinite strike action to defeat the government's plans.

The government has plenty of reasons to fear a new and massive social upheaval. Both public and private sector workers have had more than enough of the long-term stagnation of salaries which means that, year after year, more and more workers are pushed towards the poverty line (and some below it). Since 1999, prices have risen by 10 per cent, while wages increased by a mere 5 per cent, according to official statistics.

Recent research has pointed out how

the "working poor", the homeless and others face increasing pauperisation, while the profits of the large French-based multinationals are increasing. The 35-hour week, introduced by the socialist government of Lionel Jospin, has been dramatically undermined with "flexibility agreements" and the working of "additional hours". There are further plans to weaken the 35-hour law and allow more overtime working.

All this explains why the strikes in January were so popular. An opinion poll revealed that 73 per cent of workers support the strikers and 58 per cent are ready to strike themselves. Some 46 per cent of workers said they would seriously consider joining a union, a really positive sign given that the percentage of workers in trade unions in France is notoriously low (less than 10 per cent).

The fact that the recent strike figures were high among the teachers (half of whom struck on the 20th) shows that this sector has recovered from the defeat it suffered in June 2003 (an attack on contracts and conditions) and is now ready to struggle again.

Today the potential exists for a new public sector strike wave, serving as a catalyst for a struggle by the long qui-

escent private sector. For this to happen, and for the workers to defeat government and bosses, three things need to be done:

- Workers self-organisation is needed to keep control over the movement and to build links with rank file workers in other sectors; this way the workers can run their strikes and prevent any sell out or compromise by their leaders.

- An action program for the struggle needs to be developed, combining demands for wage increases, defence of the public services and the 35-hour week, expropriation of factories closing down and defence of jobs, with the aim of uniting public and private sector workers in struggle.

- Finally, a revolutionary leadership is needed to replace the sell-out leaders and unite the workers against the employers, the government and the capitalist system itself, which demands these attacks.

Since Chirac's election victory in 2002, the reformist parties – the Socialist party and the French Communist Party (PCF) – have been content to criticise these attacks and wait for the next round of elections in 2007 to get into government again. The PCF as well as

most of the far left have been putting most of their efforts into a campaign against the EU constitution.

The League Communiste Revolutionnaire and ATTAC are particularly active in this campaign. The danger exists that these forces will limit their struggle to the usual electoral cretinism, trying to push the industrial struggles into this dead-end.

The need and potential for European wide campaigns and strikes clearly exists, given that the Lisbon Agenda is being pursued across the EU. Linking up with other workers struggles, especially in Germany and Italy, can strengthen the national fight backs. The Brussels demonstration on 19 March, called by the Assembly of Social Movements (part of the European Social Forum) and supported by the European trade unions, should be used as a stepping-stone to building a European wide movement against the Lisbon agenda.

In France a further large national demonstration is planned for 5 February, for wage increases and to defend the 35-hour week. Revolutionaries should fight to make this one-day action a launching pad for an indefinite general strike.

Anglo American out to crush ZOO P

By Michael Pröbsting

ZOO Papier is a new militant union at the giant Slovak paper mill, SCP/Neusiedler. It was formed recently after the management sacked union activists, who were leading a struggle for higher wages. When the bureaucratised official union federation KOZ refused to support the activists, they founded a new union ZOO Papier (see last month's Workers Power for background).

The management of Mondi Paper (a division of the multi national Anglo American) which runs the plant is clearly rattled. It has taken legal steps against the ZOO Papier trade union. They have the cheek to accuse them of "discrediting the name of the company" and demand 20 million Slovak crowns (€600,000) plus an apology in all national media (which would cost thousands of euros more).

This is a company that pays workers in Slovakia an eighth of the pay of their fellow workers in Austria! This measure is designed to crush the new union, which is still recruiting members inside the Slovakian plant.

In late January the union held an important conference in Ruzomberok, the small town in central Slovakia where the Neusiedler mill is situated. The conference was attended by many militant workers. Most of them are in their 30s, representing a new generation of militant workers in

Eastern Europe. The subjects of the conference were the demands for new pay rates and the question of affiliation to another national trade union federation (NKOS).

Jozef Danis, vice-chairperson of ZOO Papier, facilitated the meeting. For comrades with experience in "normal" trade union meetings in Eastern Europe this was an impressive example of workers' democracy. Everyone could participate in the discussions and many rank and file workers did so. It was possible to contradict the proposals of the union leaders without fear and all proposals were openly debated. A number of questions were raised and controversial issues were settled either by compromise or by a democratic vote.

The union has to fight under extremely difficult conditions. The SCP/Neusiedler management does everything in its power to liquidate any presence of ZOO Papier inside the factory. Activists had to be mobilised secretly for the meeting, by leaving leaflets inside the factory. Thugs in the pay of the bosses have already – twice – physically attacked Jozef Danis. Nevertheless, the union goes from strength to strength: recently 40 new workers joined the union.

• Messages of solidarity with ZOO Papier can be sent to: sativa@zoznam.sk, noveodbor@post.sk Please send protests to the company at hovorca@neusiedler.sk

FIGHTING GLOBALISATION



Jozef Danis centre and L51 representative (left) at meeting in Ruzomberok

The League for the Fifth International (L5I) was invited to the conference and sent two delegates. They were asked to share the platform and to address the meeting.

The L5I representative stressed the lessons from the past, that without the methods of militant class struggle and democratic unions workers have no chance of fighting the bosses' offensive. He denounced global capitalism as a system of thieves that survives by stealing – the bosses go from one country to another, exploit it as much as possible, and, when nothing is left, they move to another place doing the same job of robbery. This characterisation was met with spontaneous applause.

One of the leading figures in the new union, Jozef Danis, is active in the European Social Forum and attended its third meeting in London. The workers are not limiting their campaign to the factory but receiving active support from the local community. In a letter of support the L5I said: "As you have recognised, active support from the local community is very important. Tactics like this have been very successful in the USA – what

they called 'social movement trade unionism' – where you encourage other trade unionists, school and college students, women and families of the workers, plus militants of left wing and working class parties, to support you.

Indeed, it would be very good to form a local social forum with such people. Its central task now would be to support your struggle, hand out leaflets outside the factory, collect funds, hold street or public meetings, etc. In a strike it would play a vital role. But it should also take up issues affecting other workers, victims of repression, racism (like the Roma), any attacks taking place on local social services, housing, etc. By broadening the appeal of a social forum you can broaden the forces supporting your struggle."

Militants from the L5I are raising support not only in the trade unions but also within the organising forums of the ESF. The struggle of ZOO Papier is an exemplary struggle. It is a struggle for workers' rights against the dictates of globalisation and the multinationals. It is being fought with the methods of workers' struggle and through workers' democracy. It deserves our fullest support!



Workers at the ZOO Papier conference

Organise the unorganised!

Joy McCreedy reviews *Unsocial Europe: Social Protection or Flexploitation?* by Anne Gray, Pluto Press 2004

“Everbodys fearful when they’ve got a short-term contract; if you get the sack you haven’t got a leg to stand on. It means that people are less likely to challenge it; they know they’re being ripped off, but they are powerless to do anything about it.” [lone mother, Brighton]

This is just one example of the vulnerable existence of millions of temporary and agency workers in Europe. In the age of globalisation, there has been a steady increase in the proportion of temporary and part-time jobs, the majority low-paid and non-unionised.

The Europeans have a word for it: *précarité*. In *Unsocial Europe: Social Protection or Flexploitation*, Anne Gray looks at the trends in European welfare systems, adding to her analysis with primary research from the *Minima Sociaux* project. From the Maastricht Treaty to the Lisbon Agenda, Gray maps out the creeping erosion of workers’ rights under the neoliberalisation of the European Union.

Under the growing pressure from globalisation, the European labour market has been forced to become more flexible. Gone are the days of “social dialogue” or partnership in the workplace. “Flexibilisation” is held as essential to the growth and survival of Western economies.

It impacts most on those with least bargaining power as individuals - the low-paid, less well-educated and less experienced workers. Flexibilisation, for them, means an intensification of exploitation - “flexploitation” as Gray puts it. Who suffers most from flexploitation? The most vulnerable in society: women, youth and ethnic minorities (see box).

Who benefits? The employers. Hiring temporary workers means that employers only pay for labour when

Agencies and safety; The tragedy of Simon Jones

Simon Jones was killed in an accident at Shoreham docks in 1998. Some people at the Brighton unemployment centre, where some of the *Minima Sociaux* research took place, knew him and had helped his family in campaigning for his employer to be prosecuted. Simon was claiming Jobseeker’s Allowance and, according to his friends, had been under some pressure for the Job Centre to take additional steps to look for work, or his benefits would be stopped. He therefore went to a private employment agency, which in April 1998 sent him to a temporary job unloading cargo from a ship at Shoreham docks. He was killed on his first day at work when his head was crushed by a crane. Simon had received only a few minutes “training”, and inadequate training and supervision of his two co-workers were said to have played a part in the accident.

Who gets temporary jobs?

In 1997 in the EU, over half of those who were unemployed a year before were in temporary jobs.

Youth:

In 1996, around 16 per cent of EU workers aged under 25 were in temporary jobs with no training, compared to only 8 per cent of all workers.

Women: Women take a disproportionate share of temporary jobs in the UK, especially part-time and in teaching and other public services. In Spain women are more likely to be on temporary contracts, most of all in the public sector.

Ethnic minorities and migrants:

In the UK, 2.6 per cent of Black respondents in the Labour Force Survey have been sacked or made redundant in the last three months, more than double the proportion of

whites.

UK fruit and vegetable growers depend on tens of thousands of migrant casual workers, often recruited by “gangmasters”, informal employment agencies who are well known to government departments and trade unions for flouting minimum wage regulations and tax laws. Some of these workers are thought to be illegal immigrants, which makes them especially unlikely to resist or complain.

A quarter of refugees in the UK are in temporary jobs, compared to 11 per cent of ethnic minority workers and only 6.8 per cent of all workers. Refugees earn an average of £7.29 per hour, compared to £9.26 per hour for all ethnic minority workers and over £10 per hour for the workforce in general.

it is needed - they can keep fixed labour costs low and hire extra people when demand is high. Part-time and temporary workers often earn less per hour with fewer fringe benefits, like holiday or sick pay. They can also work evenings and weekends without unsocial hours premiums.

A whole, highly profitable, industry has grown up supplying these workers. These agencies contribute to keeping wages down by taking a rake off the workers’ hourly rate. They also ensure that temporary workers’ contracts make them easy to get rid of. For this “service” they get a fat fee from the employers.

Flexibilisation weakens workers’ capacity to organise, which in turn facilitates a further erosion of pay and conditions. They are less likely to join trade unions, and this affects all workers’ bargaining power. Without job security, workers are more fearful of being sacked, which deters them from risking conflict.

Part-timers are often women with caring responsibilities, which means they have less choice of jobs and lower wage expectations. In the UK, with the elimination of the grant and the introduction of tuition fees, more and more students are forced into this type of part-time work.

But it’s not just in the “McJobs” that workers are suffering from flexploitation. Jobs in the public sector have been severely eroded both in number and quality by privatisation. Both public and private sector organisations have increasingly contracted out functions such as cleaning, catering and security. In the UK, this subcontracted work is often more insecure and lower paid than the permanent job it replaced. The “two tier” workforce, with workers doing similar jobs on very different pay and conditions, is now common in the public sector as well as the private sector.

In France and Germany, the engineering industries, especially car plants, turned to agencies for a large share of their manual workforce in the 1990s. In Peugeot, 30 per cent of employees are agency temps; in Renault, 10 per cent. Young agency workers in France alternate between temping on the assembly lines and unemployment. They complain, too, that the agency takes an unfairly large share of the car firm’s payment for their work.

Agency temps, Gray argues, are the most “commodified” form of labour, “throw-away workers” sought by the

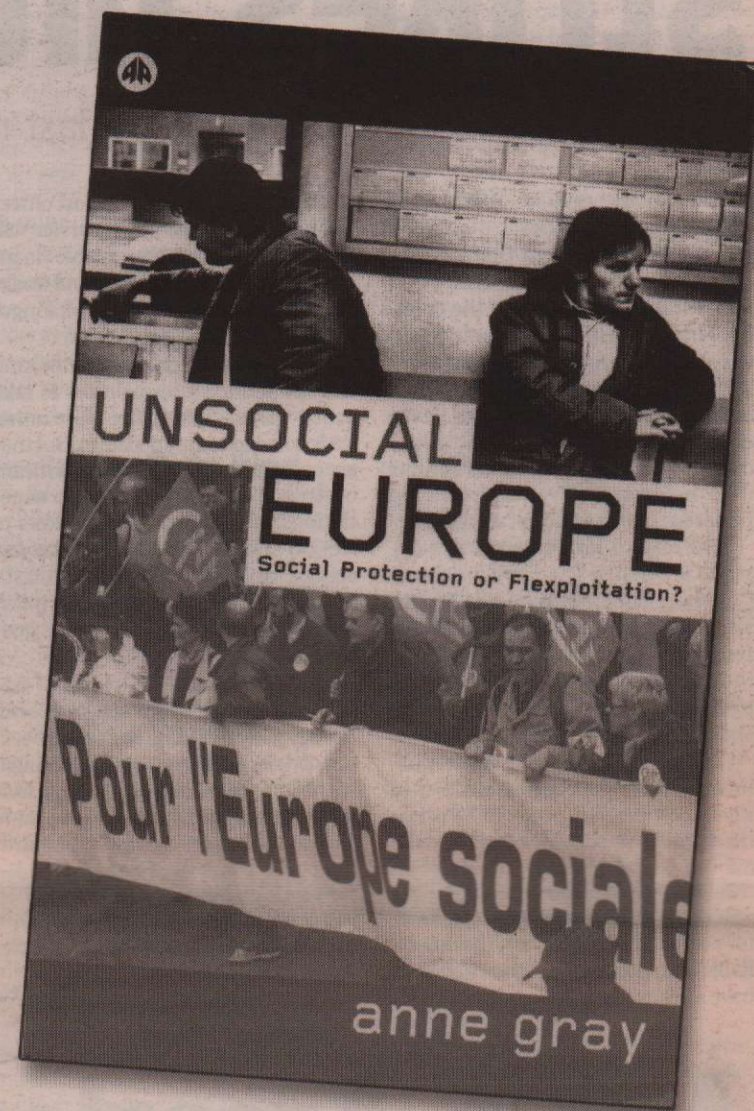
globalised company to cope with frequent changes in demand; many of these workers are migrants from Eastern Europe or even China, some more vulnerable and exploited for being “illegals”.

Hand in hand with the increased flexibilisation of employment have come attacks on the unemployment benefits and rights. All European nations, even the more social democratic ones such as Denmark or Sweden, have shifted towards a “workfarist” approach where benefits have to be “earned”. Workfare and stricter benefit regimes are used to chase unemployed people into low-paid, temporary or part-time jobs associated with the new “flexible” labour market, e.g. Job Seekers Allowance.

The European Employment Strategy (1997) aimed to reduce unemployment by making jobseekers more employable through active labour market programmes (e.g. the New Deal in Britain) and by making it easier for employers to hire labour on the terms they wanted. Unemployment insurance is becoming less a compensation for job loss (which is paid for through contributions) and more a payment for job-seeking.

Gray argues that what we have witnessed over the past decade is a “re-commodification” of the labour market. The Maastricht Treaty 1992 represented a victory for neoliberal economic policies and a blow against Keynesian state control. Member states agreed to a very tight control of inflation, of interest rates and of government borrowing, so they could no longer regulate the labour market and cushion unemployment by increasing state spending. The 1980s saw the decline of Keynesian macro-economic policy with its commitment to full employment by management of demand for labour - because of the greater freedom of capital to travel.

What is the answer? Gray looks to the welfare state of yesteryear, and the “de-commodification” of labour power, to shelter the worker from the pressures of the labour market through state intervention. She asks the question “Could the Keynesian project be revived if the Maastricht straitjacket was set aside?”; and obviously she believes that it could. In her final chapter, she states: “The Keynesian project, if revived, needs to focus on growth of collective services that will be truly col-



lective and non-capitalist... the way forward lies in creating forms of non-profit production outside the state sector, whilst taking advantage of channels of support from the state where these are available.”

Gray believes the solution can be found within the capitalist framework by trying to tweak it. By using state intervention or other methods such as the Tobin Tax (a tax on speculative capital) to make it more egalitarian; and by opting out of it through creating a parallel system of “non profit making services”.

Although she acknowledges the role of globalisation and the supranational organisations - the IMF, OECD, World Bank, WTO - that have gained influence over national governments, she does not seem to realise how they impact on

the economies and policies of the EU states. She does not explain the relation between the WTO (World Trade Organisation) and GATS (General Agreement on Trade in Services) that forces countries to open up their public service markets to privatisation and multinational companies - or face fines and embargoes. This is what is driving the “race towards the bottom”.

Non-capitalist production, Tobin tax, rebuilding the welfare state all lead to a conflict with global capital. We live in a global community. Capital has reached the four corners of the globe. Capitalism - the drive for profit - is the system that predominates. Until we destroy this system, we will never be free from exploitation and oppression that comes from *précarité*.

How do we fight *précarité*?

It is in the interest of all workers and trade unionists to organise part-time and temporary staff, including agency workers. All these workers should be approached to join the union and the union should go out of its way to fight for common pay rates and conditions and an end to the “two tier workforce”.

The workers themselves should fight for control of hiring; it should be their decision when temporary staff are needed and when such staff should be made permanent. We should fight against all attempts to turn full time jobs into temporary or part-time jobs.

The unions launch a campaign

to organise staff at the agencies and blacklist agencies that impose anti-union and exploitative contracts on their staff. We should fight for big public sector employers, like the NHS, to set up their own agencies with staff employed on equivalent pay and conditions to permanent staff and not use private agencies.

We should fight for the nationalisation of private agencies without compensation and their incorporation into a well funded and staffed section of Jobcentre Plus where no rake off is taken from workers wages, and any element of compulsion is removed from the benefits system.

Where now for the Scottish socialists?

The Scottish Socialist Party claims to be "one of the strongest anti-capitalist, pro-socialist parties in Europe". But recent inner-party conflicts have damaged its position as darling of the left. Amid its current difficulties *Jeremy Dewar* asks, "Where is the Scottish Socialist Party going?"

The Scottish Socialist Party (SSP) has 2,000-3,000 members organised in 70 branches. They are central to the antiwar and anticapitalist movements. The SSP has taken a lead role in campaigns against the council tax and nuclear weapons, in support of the strikers, and for free school meals.

In the past year seven Rail Maritime and Transport union branches plus the union's Regional Council affiliated to the party. The 4,500 strong postal workers, Edinburgh No.2 branch was only prevented from following suit by an undemocratic rulebook. The party is also strongly represented on the civil service union leadership.

Most famously, six SSP Members of the Scottish Parliament, four women and two men, sit in Holyrood. Although the party only received 6.9 per cent of the vote, proportional representation boosted its total of MSPs from one to six (out of 129). In all, over 100,000 Scots voted for the SSP in May 2003.

In Glasgow Tommy Sheridan and Rosie Kane gained 15.2 per cent or 31,216 votes, nearly twice the party's 1999 tally. Tommy and Rosie have been charismatic leaders. Refreshingly, all the MSPs publicly associate themselves with direct action campaigns, with Carolyn Leckie being the latest to be jailed for protesting at the Faslane nuclear base.

Their Euro election results last year, however, were disappointing. They scored 5.2 per cent, prompting questions over whether the SSP's support has peaked and a debate about how to achieve the next breakthrough.

History of the SSP

The SSP's origins lie in the great anti-poll tax rebellion of the late 1980s and early 1990s. The grossly unjust poll tax was introduced in Scotland a year before the rest of Britain. While this blatant discrimination against the Scots exacerbated nationalist resentment, the activists' initial response was not to turn away from all-British parties. On the contrary, Tommy Sheridan and 70 others applied to join the Labour Party in Pollock, Glasgow. They were refused membership.

Scottish Militant Labour (linked to what is now the Socialist Party in England and Wales, and its international tendency, the Committee for a Workers International) responded by standing against Labour in local elections. Sheridan sprang to national fame after being elected, even though he was in jail at the time for resisting the bailiffs.

SML's success testified to the fact that the 1990s saw the opening of a new period after the collapse of the Stalinist dictatorships in Russia and across Eastern Europe, which fuelled a sharp rightward shift in the traditional social democratic and Labour parties. In Britain, this was marked by the triumph of "new realism" within the trade union leadership, which accepted cuts and privatisation. In the Labour Party it led to the rise of Tony Blair and the abolition of Clause IV.

A gap opened up to Labour's left for those who wanted to take direct action against the neoliberal offensive, of which the poll tax was a part. The tension at the heart of Labour - between its capitalist policies and leadership, and its working class base - started to approach breaking point. The SML capitalised on this and, in

doing so, started to gain the attention of activists from different traditions.

The Scottish Socialist Alliance emerged in 1996 to regroup these forces - former Labour Party councillors and members, trade unionists, Stalinists from the fractured Communist Party, and increasingly SNP members. Its success led to its relaunch as the SSP in 1998.

As so often happens in politics, however, a new split accompanied this new unity. And it was an important one. Like its sister organisation south of the border, the SML believed that workers and youth would first turn towards left reformism in search for a solution to the crises of capitalism. In this schema, the task of Marxists was to guide this left reformist current towards socialism, not by openly counterposing revolutionary tactics and strategy, but by embedding themselves within the reformist organisation.

This is where Tommy Sheridan and fellow leader Alan McCombes disagreed with the CWI. If, they argued, workers would spontaneously gravitate towards Marxism, then there was no need for a separate organisation within the SSP. They split from Militant.

This split had two important consequences. It ensured that the SSP was not formed under the CWI's tight control. It adopted a more democratic, federal structure, allowing for multiple tendencies, or platforms. But it also cut the SSP leadership free from the CWI's programme, with its emphasis on nationalisation, and the supposedly peaceful path to the dissolution of capitalism.

Left nationalists were also drawn towards the SSP. One such current was the Scottish Republican Socialist Party, a split from the Scottish Nationalists. The SRSP believed that a Scottish republic could only win mass support if it adopted a socialist - or pro-socialist, to use the SSP's own phrase - programme. Initially this caused no problems. The CWI had already adapted towards Scottish nationalism. However, the increasing tendency to give independence, even on a capitalist basis, a progressive content renewed tensions inside the party last year.

These two political dilemmas - reform or revolution, nationalism or socialism - were lodged within the SSP from its birth and have continued to dog it.

Imagine: castle in the air

In 2000, McCombes and Sheridan set out their vision for Scotland and the SSP in *Imagine: A Socialist Vision for the 21st Century*. It remains the most comprehensive exposition of SSP policies and programme, even though the party has never formally adopted it.

It is certainly a radical vision: "In a future socialist Scotland, the land will be legally recognised as the common property of the Scottish people." (p92) "Large scale industry oil, gas, electricity, the national railway network could be owned by the people of Scotland as a whole and run by democratically elected boards in which workers, consumers and the wider socialist government were all represented." (p190) Yet, this imagined society is, unfortunately, a left reformist utopia.

Sheridan and McCombes envisage a left government coming to power with army and police intact, and then implementing its socialist programme in stages. Not only would small businesses thrive in a socialist Scotland. Even

multinationals - like Tesco, as Sheridan explained in April 2003 - would remain in private hands. Would the ruling class really sit on its hands while a socialist parliament "dismantled the old hierarchical power structures"?

No. History tells us that the bourgeois state cannot be reformed piecemeal. Socialism can only be built after a revolution that destroys the repressive forces of the capitalist state, the army, the police, and the security services and replaces it with an entirely new state, a workers' state.

The key weapons in this struggle - workers' councils, workers' militia, communist cells conducting revolutionary work amongst the rank and file of the army, an underground apparatus and above all a revolutionary party of tens or hundreds of thousands based in the vanguard of the working class - are all missing from the SSP's vision. Instead, parliament appears as the key tool for building socialism.

Independence

This reformist approach was carried further in the party's 2003 manifesto for the Scottish Parliament:

"We recognise the limitations of Holyrood and have set out in this manifesto a list of around 200 detailed policies to improve the health service, education, transport, the environment and other areas over which Holyrood has responsibility.

These changes could be implemented by the Scottish Parliament even within the UK straitjacket and would change for the better the lives of hundreds of thousands of people.

A SSP majority or even minority government in Holyrood would immediately set about implementing these policies. At the same time, we would strive to convince the people of Scotland to break free from the United Kingdom and create a liberated, socialist Scotland."

This is a classic minimum-maximum programme: 200 reforms in the here and now, and socialism sometime in the distant future. Only, for the SSP leadership, it is not socialism but Scottish independence that seems key:

"A Scottish Socialist Party government would set a deficit budget - a people's budget based on the democratic mandate we have received from the people of Scotland.

We would demand that Westminster either provides the finance to allow us to carry out our democratic mandate, or to give the Scottish Parliament the powers to raise that finance.

In tandem with implementing these 200 policies, the SSP will set a date for an independence referendum, asking the people of Scotland to give us a further mandate to break free of the United Kingdom and take control of our own finances and resources."

The policy of setting a deficit budget is here denuded of its revolutionary content. Instead of using it as a platform from which to mobilise strikes and occupations, mass demonstrations and campaigns of civil disobedience, to organise councils of action and workers' defence guards to protect the workers' gains, to reach out to the rest of the UK working class and spread the revolt - instead of all this, the SSP retreats to a constitutional nationalism.

The UK, rather than capitalism, becomes the "straitjacket". The party seeks to address the Scottish people across classes, not the Scottish, British and international working class.



Rosie Kane and Tommy Sheridan at Calton Hill, October 2004, where they vowed to fight for an independent Scottish republic but forgot to mention the need to fight for socialism

Where next?

The SSP is clearly at a crossroads. Unfortunately, none of its factions offer a way out of the present impasse.

Alan McCombes is standing for the post of convener, vacated by Sheridan. As architect of the Independence Convention tactic, McCombes offers more adaptations to Scottish nationalism. His opponent, Colin Fox, wants to concentrate on parliamentary bloc-building, with the SSP gaining respectability through advancing reformist legislation.

So, what of the left? The Socialist Workers Platform, which many thought would be a left faction when it joined in 1999, has moved steadily to the right. Although formally opposed to Scottish nationalism, it fully agrees with the abandonment of socialism as an aim, much as they do in Respect in England and Wales.

The CWI-loyal International Socialist Movement, meanwhile, can now only muster 50 votes out of 400 at the SSP conference. But, despite its often telling criticisms of the leadership, it shares its adaptations to left reformism

and left nationalism.

SSP activists who want to escape the stagnation of electoralism and nationalistic stunts will have to form a new platform. One that subordinates elections and parliamentary activity to mass action on the streets, in the schools and colleges, and in the workplaces. One that links its demands for reforms to the need for the revolutionary overthrow of capitalism itself. One that sees the struggle for socialism in Scotland as part of the international class struggle against capitalism, not part of a national struggle against Westminster.

A revolutionary platform, based on a turn towards building a vibrant anticapitalist movement, offers the best hope for regenerating the SSP. Parliamentary reformism and nationalist stunts will not end the party's current decline. This platform, however, will have to be forged in struggle against all the other existing platforms. The run-up to the international protests against July's G8 summit in Gleneagles offers the best opportunity yet to launch such a platform.

Anti-Capitalism

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A government report in October stated that 11.3 million UK workers had no pension provision. Over the past few years, companies have been busy shutting their final salary schemes, claiming that they are too expensive. Firms have cut benefits and demanded increased contributions. Fund managers like Axa have lobbied for an increase in the statutory retirement age.

The government has taken this as its cue to attack the pensions of public service employees. The government's green paper on pensions, *Simplicity, Security and Choice: Working and Saving for Retirement*, proposed making us work longer and save more, or receive a smaller pension.

While the details may differ from sector to sector, the broad picture is the same:

- Add five more years to the working life.
- Double the amount workers pay into their pension schemes.
- Slash the amount workers receive in retirement.

Needless to say, none of these proposals will ever target Members of Parliament who are lucky enough to vote on their own pension arrangements. MPs get a basic salary of £57,485 with up to £77,534 in allowances. They pay 9 per cent contributions toward their pension and a 20-year stint in the job would be enough to yield a pension of £30,000 per year – probably the most generous pension in Europe outside of the boardrooms.

Sensing the scale of outrage this injustice would unleash, the government has staggered the attack on public sector pensions in an attempt to undermine a united fightback.

Talk about adding insult to injury: they must think we're really stupid not to notice daylight robbery when we see it. Even the TUC has called for a working class wide response. It has called for a day of action – its first for very many years – on Friday 18 February.

On its own, however, a day of rallies, demos and the occasional strikes will not be enough to force the government to back down. In Europe the unions have had general strikes – in Italy, Spain, Greece, France and Germany – over pensions, and defeated most attacks. And that's precisely what we need to build towards here.

So far, trade union leaders have offered nothing more than platitudes to their members in response to this assault. Unison's Dave Prentis said at a meeting of public sector union leaders in November, "we will not sit back and allow them to tear our members' pensions to shreds."

But to date, the TUC has done little to stop the government tearing up their members' pensions. It has set up the liaison group, which has called for the day

THE GREAT PENSIONS ROBBERY

Brown says: work till you drop We say: fight till we win!

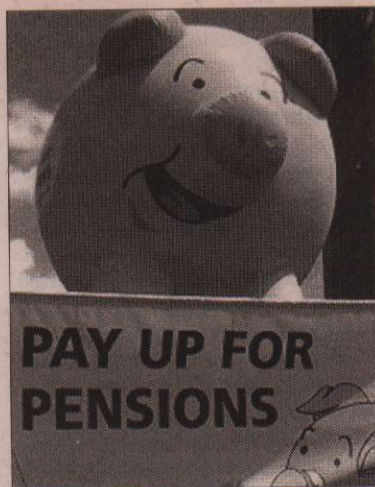
There is a pensions crisis. New Labour, the employers and the pension fund managers all agree on the only way out of this crisis: make us, the workers, pay for any shortfall in pension funds. *Dave Ellis* has another solution

of action on 18 February. But only the mildest action is being recommended, such as going to the local media, pressurising MPs, and organising local, cross union events in lunchtime or after work – no mention of strikes. Instead, the TUC will also seek a meeting with the David Miliband, Cabinet Office minister for the public services.

The TUC's website is even worse. On the "Pay Up For Pensions" campaign page, the TUC advises us to get informed, tell your friends and...download the TUC "Pay Up For Pensions" wallpaper and screensavers to your computer!

Why is the TUC and union leadership response so poor? Because they don't want to rock the boat for Labour before an election. For these union leaders, getting Labour returned to office for another term is more important than defending their members.

The leaders of the big four unions – Dave Prentis, Unison; Tony Woodley, TGWU; Kevin Curran, GMB; Derek Simpson, Amicus – are beholden to New Labour thanks to the crumbs from the table they were offered at the Labour



The TUC needs to do more than have a pig demonstrating

Party national policy forum in Warwick last year. They will be working overtime to ensure that any strike action is strictly limited to a one-day affair.

The danger is that the momentum generated by all our work to gather our forces and organise a fightback could be

broken by a truce, called to cover the election period. Workers have no interest in holding back just to re-elect the same bunch who are robbing us blind already – even if the bloated union bureaucrats (all on top pension schemes, paid for out of members' subs) think they have.

That is why we must make sure that the 18 February day of action is a success. MPs must be lobbied. Demonstrations and workplace meetings should be held. Where possible workplace action should be taken, including strikes. The more local actions and strikes there are, the greater the pressure on the TUC and union bureaucrats to call more action, or face unofficial action.

But 18 February is only the beginning. Ballots for action in March offer the possibility of organising co-ordinated strike action. Unison, TGWU, Amicus and Ucat, local government workers, teachers in the NUT and civil servants in the PCS are balloting to strike in March.

We must add to this list GMB local government workers, firefighters in the FBU, Natfhe lecturers, Unison members in education and all workers in the NHS.

To stop Blair and Brown, a campaign of all-out strike action across the public sector is needed. We must fight to make all the unions with members affected by the pensions reform name a day when we all go out together.

Every public sector worker and union activist must push for their leaders to organise a plan of strike action and call on members of other unions to join in – with official backing where possible, unofficially where necessary.

We should demand that the TUC itself calls for co-ordinated action. If the TUC refuses to organise united action – as is likely – then we will have to push for the leaders of individual unions to organise strikes across the public sector.

We cannot allow union leaders to refuse to fight on the grounds that other unions do not want to. For example, local government workers are the first to be affected by the pensions attack, but the GMB has shown no sign that it wants to take up the fight alongside Unison. Local GMB branches and activists must link up in every town, city and across the country to force the leadership to call action. If they refuse, GMB branches must take action without their leadership's backing.

Even where leaders are balloting the union, members must organise to ensure that action goes ahead. Dave Prentis, general secretary of Unison, has probably sanctioned a ballot because he is up for re-election in now. He has to be seen to be doing something. But what will happen if he is re-elected? Rank and file members will need to be ready to keep up the pressure.

In every workplace and town, all the unions involved in the pensions fight must meet to decide on action. Already in Portsmouth and Southampton PCS and Natfhe members have agreed to build a local Public Sector Action Group. This excellent initiative could be copied up and down the country. These action committees could start to reach out to the private sector, pensioners and community groups, educating the public on what is at stake, identifying and shoring up any weak links in our own ranks.

Crucially, they need to link up with similar campaigns within the European Social Forum network and send delegations to march against all the neoliberal attacks in Brussels on 19 March.

Unity from below can also ward against another danger. If Blair and Brown begin to feel the heat from strike action they may decide to negotiate. We could end up with the scenario of the unions negotiating sector by sector. If the different unions' rank and file are organised in joint committees then we can fight to prevent this happening.

• Turn to page 2 for details of what is happening in your union and for a socialist response to the great pensions robbery

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