

WORKERS

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TUC 2004: SILENCE FOR BLAIR, SUPPORT FOR CUBA, BUT STILL NOT CLEAR ON THE EU – see page 16



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WORKERS

“ First thoughts

OCTOBER WILL SEE the European Social Forum (ESF) come to London. This is the third ESF, popular with European globe-trotters, who may also have attended the World Social Forum which was held in Mumbai in January 2004.

There will be a lot of well-intentioned but woolly-minded speeches. Who pays? Londoners will have to cough up hundreds of thousands of pounds through the Greater London Authority, and the trade unions tens of thousands, to fund places for 40,000 socially concerned thinkers at Alexandra Palace and the university complex in Bloomsbury, as well as a final night's rally in Trafalgar Square.

The themes are pious, will attract the good cause brigade and be politically correct, but they will not advance the demise of capitalism one iota.

Do British workers need another new international organisation to tell them how to deal with war, racism, globalisation, social justice, the dispossessed and myriad other liberal causes? No. Has any international organisation ever been able to deliver national liberation and social advance in an individual country? No. Liberation begins at home, where the internal contradiction is paramount. Internationalism flows from that struggle. Soviets succeeded, attracting international support; International Brigades failed.

All the lonely left who want to huddle together at venues in London during October would do better to go home and use their energies in building their own respective working class movements to advance the conflicts and contradictions at home which will shatter capitalism.

Second opinion

PROTESTERS AGAINST the ban on fox hunting have invaded the House of Commons and forced a Minister to cancel his walk on Kinder Scout, celebrating the Right to Roam. Quite right. This government is happy to abolish thousands of jobs in the countryside, where most workers struggle to earn a meagre living.

Thanks to the EU Common Agricultural Policy, profit-greedy supermarkets and British government inaction, agriculture is in steep decline, with large areas uncultivated and ungrazed. In future only townies running B&Bs may be able to continue living in a countryside reverting to wilderness.

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Civil servants in jobs fight

CIVIL SERVANTS across the country are balloting for a one-day strike on 5 November over a wave of planned redundancies. The Public & Commercial Services Union (PCS) says that 100,000 job cuts are unreasonable, unnecessary and will damage public service.

Gordon Brown, Chancellor of the Exchequer, announced in the Budget that he wanted to reduce the size of "Whitehall". Most of the jobs lost would be from local offices around the country, mainly from the Department of Work & Pensions (DWP), Inland Revenue and Customs & Excise. Since March other possible cuts have come to light as well.

Brown is looking for efficiencies from IT systems and online business – at the expense of traditional face-to-face contact with the public. The losses are set to fall in two main programmes. The number of DWP offices will be cut, as was known before the Budget, but the extent of the closure programme came as a surprise. The first round of 2,000 job cuts in 30 offices was announced in mid-September, leading to unofficial walkouts.

The other main savings come from the merger of Revenue and Customs, supposedly from greater efficiency in having one department rather than two. In fact many jobs will go from running down local offices. And Brown is counting on new private "partnership" contracts for IT and accommodation to save more large sums.

Brown has frustrated PCS and its members on pay deals for several years. Departmental pay deals are subject to Treasury approval, which always means less money. Several disputes have dragged on in recent years. And there are clear signs that the level of settlements will fall sharply over the next three years, as costs are cut.

The prospect of job cuts has spurred more opposition to government plans for the civil service. The union has called for its members to support the action in protest. These workers have many local reasons for grievance – now they all have to decide if they can build a wider campaign by striking in November.

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

TRADE DEFICIT

Now we're importing oil!

FOR THE FIRST time since 1991, Britain has become a net importer of oil: the net deficit for July was £61 million. July's spend on oil from abroad, £694 million, was an all-time record.

Our surplus in oil fell from £6.5 billion in 2000 to £4.1 billion last year, and could be less than £2 billion this year, due to a lack of significant new discoveries. Britain's great good fortune of North Sea oil is drying up, squandered by the greed of capitalist governments. Their decision to smash our coal industry looks ever more vicious and anti-British.

The record oil imports contributed to July's record level of all imports – £20.8 billion, the highest since figures were first collected 300 years ago. Our deficit on trade in manufactured goods was £5.2 billion, up from June's £5.1 billion. The overall trade deficit was £3.7 billion, up from £3.4 billion.

PRISON SERVICE

Industrial workers strike

A TWO-DAY strike by craft and manual workers including electricians, plumbers, plasterers, bricklayers and labourers hit the prison service at the end of August. This is the second stoppage this year by prison industrial workers over pay.

Amicus, UCATT, the TGWU and GMB have rejected the 1% pay offer made for 2003. The trade unions are seeking at least parity with prison officers, with a claim of 2.8%. The industrial action is the first in over 25 years by prison industrial workers.



Photo: Workers

Workers and pensioners from Turner & Newall – whose pension fund has collapsed – lobby the TUC in Brighton (see page 16)

Fire Brigades Union fights regionalisation

PLANS TO CENTRALISE Emergency Fire Controls by creating a single regional organisation are being fought by East Anglia Region of the Fire Brigades Union (FBU). The proposal originated with arch-regionaliser John Prescott's Office of the Deputy Prime Minister (ODPM). Prescott wants to force local fire authorities to shut down the existing 49 national control rooms and create nine regional control centres. Huge regions like Scotland and the South West could be left with one centre each.

At present control rooms are handled by specially trained, highly professional staff with local knowledge, who also carry out the administration of the local fire service and make fire reports. They belong to one trade union with firefighters – the FBU. Prescott's proposals are to replace them with a call handling service – a call centre. In an emergency members of the public ringing in will have to press a series of buttons in response to a recorded voice – for instance, press 2 for "road traffic accident" then 1 for "persons trapped". In Norfolk this would mean the 25 workers presently employed at Norfolk Control would either move to a central East Anglia control room, or lose their jobs. The estimated cost of the change is £110 million – at a time when there is talk of reducing the number of tenders available.

A local FBU member speaking to WORKERS at the Burston festival (see picture story above) says there is no organisational or even economic rationale to this move. A Best Value review in 2000 concluded the present system is the best. Local Control Rooms provide flexibility, local knowledge and back-up, giving a high level of "resilience" to the system in case of a failure, large incidents or extremely busy periods.

The New York emergency services are strengthening their local structures, after the 11 September knocked out the big control room under the twin towers, and local services had to handle the ensuing mayhem. The failure of the centralised National Air Traffic Service earlier this year showed similar dangers that controllers had warned against.

Present arrangements also enable local fire service workers to meet with management locally to iron out problems, says the FBU member. Regionalisation would remove local control and accountability. She feels the ODPM "haven't a clue about the fire service" – having to make lightning visits to control rooms to find out how they work. She believes the real logic of the plans is the drive to regional government being forced through by the EU. Both moves are coming from Prescott's office. It's the same old story – break up the system, centralise locally accountable bodies into remote regional bodies much more easily controlled from Brussels.

The government's desire to break the FBU was clear in local and regional government minister Nick Raynsford's attempt to scupper their pay agreement by packing the August ratification meeting with London Labour councillors (who had never attended before) to vote against the deal.

Christina Jebb, who chaired the employers' negotiating team until she was removed for voting in favour of the deal, said on Radio 4's TODAY programme on 5 August, "They don't want a settlement." Asked why, she replied, "If the Fire Authorities can be shown to – in [the government's] eyes – not be able to manage the Fire Service, the obvious solution is regionalisation or perhaps even nationalisation of the Fire Service." David Blunkett is now talking about a national police force, controlled from the centre.

In Norfolk, the proposals are meeting resistance. The campaign mounted by the FBU has won the support of the fire authority in Hampshire and Dorset, and the county council in Berkshire. To find out more or support the campaign, look up their website on www.controlcare.org.uk

NHS**Blood samples outsourced**

THE DEPARTMENT of Health has proposed to fly blood and urine samples for testing to India, with the results emailed back to Britain. The fact that they could pay Indian lab technicians £4,000 per annum and still make a profit over the air carriage, shows that "offshoring" is not just about

call centres for utilities and banks.

The recent investigation into industrial relations within the National Blood Service highlighted the aggressive, bullying, quasi-military mentality of the employers. Though the industrial relations structure is being radically changed, primarily due to pressure from Unison, some managers – the union thinks – obviously hanker after a more 'colonial' and obedient regime.

New threats to pensions

WITHIN WEEKS of the Turner & Newall pension fund collapse, leaving over 40,000 workers and pensioners with no provision, and within days of the TUC warning the government of the crisis facing pensions, more threats to retirement rights have emerged.

Civil Servants, local government and NHS workers will now face review and "modernisation" proposals from the government. These proposals will see the extension of the the normal working life from 55 years to 65 years. The government's preferred option is in fact to put no ceiling on retirement – in other words 70 years, 80 years or work until you die!

Unions across the public sector are now engaging with the consultation exercises, ensuring as many members as possible register their objections and protests. But there is a clear recognition that defence of existing pension schemes, let alone seeking improvements, is looming as a major issue. The industrial action on this issue which has swept through private industry is now a distinct possibility for the public sector.

One partner union in the creation of Unison was formed solely to establish pensions for senior officers in local government. Nearly 100 years later not just senior managers but all staff in the public sector are now under threat.

GERMANY**EU adds to economic woes**

EU-IMPOSED high interest rates are adding to Germany's woes. Capital investment is falling. Germany's public sector deficit was £28.8 billion for the first six months of 2004, equivalent to 4% of GDP. So for the fourth year running, Germany has breached the EU's Stability and Growth Pact (in reality a Stagnation Pact). Germany still makes the largest contributions to the EU. Volkswagen is aiming to cut its wage bill by 30% in the next seven years.

During August, more than 100,000 workers took part in protests against the social democratic government's Agenda 2010 programme of drastic cuts in welfare and unemployment benefits. On 16 August, 20,000 workers marched in Leipzig, 15,000 in Berlin and 13,000 in Magdeburg.

The government is imposing an increase in the working week from 35 to 42 hours – equal to a 20% pay cut. This will not reduce the record number of 4.5 million unemployed (10.6% of the workforce). So much for any belief that the EU somehow gives workers a legal entitlement to a shorter working week, or to decent welfare

payments! Indeed, across the EU, hours worked are rising: the average Czech worker, for example, does more than 2000 hours a year, a figure that has been rising steadily since the collapse of socialism.

The German government is also under enormous pressure over the EU Constitution: 80% of the German people want a referendum.

UNEMPLOYMENT**Record number not working**

NO FEWER THAN 7.9 million people in Britain are now "economically inactive". This is the highest figure ever recorded, and equates to 21.5% of people of working age (16–65). 2.1 million of them want work. The big rise in the numbers of newly "economically inactive" workers is not due to there being more carers, or more single mums – it is because more people of all ages are without work.

This puts a different perspective on government boasts about the ever-diminishing level of unemployment. Even the official figure is now 1.41 million – which we would all have seen as scandalously high any time between 1945 and the advent of Thatcherism in 1979.

WHAT'S ON**Coming soon****OCTOBER**

Friday 29 October, 11am to 4.30pm

TUC, Congress House, Great Russell Street, London

Defend Council Housing National Conference. Sponsors include SERTUC and Unison. For more information, see www.defendcouncilhousing.org.uk

UNIVERSITIES**Nottingham attack on staff**

NOTTINGHAM UNIVERSITY is refusing to honour its commitment to negotiate a pay and grading settlement in line with the March 2004 national agreement between national university employers and the Association of University Teachers (AUT). Its latest offer introduces performance-related pay for staff, would lead to reductions in career earnings of nearly £9,000 over six years for some and for others would remove the entitlement to belong to the national university pension scheme.

Now Nottingham's vice-chancellor is proposing to introduce new grading arrangements for academic and research staff, without any negotiation with their union, the AUT.

Responding to the university's plans, Nottingham AUT secretary Mike Byrne explained, "AUT nationally has signed up to an agreement (the National Framework Agreement) which provides for substantial changes to pay and grading for our profession. One of the fundamental principles of the Framework Agreement is that all changes to pay and grading arrangements are to be negotiated... It is clear the university is now seeking to implement new pay and grading arrangements for academic and research staff without the involvement of AUT."

The employer has until 20 September to get back into serious negotiations before a threatened boycott takes effect.

Malcolm Keight, AUT deputy general secretary, told the employer, "AUT strongly objects to your intention to implement new pay and grading arrangements for this group of staff without negotiating and agreeing these with AUT. We are extremely disappointed that the university has taken this route given our recent offers to engage in genuine negotiations to address the concerns of academic and related staff."

Analysis: Holyrood's £millions

AS THE QUEEN opens the scandalously over-budget "Scottish Parliament" this month, separatists and EU-supported devolutionists are still trying to digest the news that support for the very idea of devolution has fallen to its lowest ever in Scotland.

"Confidence in devolution among Scots is close to total collapse," (THE TIMES, 9 August) was typical of comments prompted by a poll organised by Scottish and Grampian Television's Politics Now programme. Only 8% of those surveyed thought this parliament had achieved anything worthwhile and 78% said the new building would make no difference to their lives.

This turn-around in opinion is seen as a blow to those calling for regional devolution in England as well as a setback for Scottish devolutionists. An air of panic pervaded defensive statements from Scottish ministers, with Jack McConnell asserting that "the permanence of devolution itself is underlined by the Parliament's new home".

This "new home" was cynically sold to voters on the basis of a conventional office block on a greenfield site at a cost of £40 million. The tally of current costs in August's LIST magazine was an astounding £450 million – a more than tenfold increase, an overrun of three years and an incongruously ugly design imported to the most expensive district of Edinburgh city from the devolutionists' favourite holiday destination, Catalonia.

At a time of increasing deprivation in city housing estates (with life expectancy for males falling to 64 on some) and deterioration in education and health services, the sight of MSPs demanding thousands of self-indulgent extras in their spurious parliament causes anger.

The Auditor General in Scotland has condemned costs that spiralled out of control making Holyrood one of the most expensive public buildings in Britain at £8,900 per square metre. Even the building of Portcullis House in Westminster – long cited as the epitome of extravagance in government building – only came to £8,600 per square metre, and the long delayed British Library £6,600 per square metre.

The auditor pointed out how the fiasco would lead to more costs for years to come, and architectural commentators have warned that despite its expense, it

could "crumble in under a century".

Lord Fraser's new report on the Holyrood scandal, published in mid-September, blames everyone except the architects of devolution itself. That, of course, was not in his brief. All the politicians rushed in to make civil servants the scapegoats. This is all quite reminiscent of how the BBC was attacked after Lord Hutton's report failed to address the real issue on the Iraq war fiasco, leading to the death of Dr David Kelly. What credibility remains for reports by Lords of the Realm?

By breaking up Britain, devolution opens the way for the disparate parts to be influenced and ruled by Brussels, and the extravagance of the Holyrood building matches the extravagance of the plan to reverse 400 years of history, and bring in a new order. Britain's economic unity was created in the hundreds of years of industrial revolution. With economic unity came cultural integration. Devolution would sharpen the contradictions among us. The attack on industry and organised workers during the Thatcher era led some up the blind alley of separatism, by now surely revealed for what it is.

For years the EU has been instigating and encouraging such regionalisation, while at the same time discouraging national governments from any debate or defence of their national interests. The Labour Party foolishly (or deceitfully) described the creation of a Scottish Parliament – in the words of Donald Dewar – as an act that "bolstered the Union rather than weakening it", and warned Scottish nationalists not to use it to "wreck the United Kingdom".

The working class – for we are the nation – must hold Labour to account for their treachery, never allowing our class to be weakened by devolution or separatism. From the time the first national trade union conference was held in Britain – in Glasgow in 1864 – Scottish workers have been an integral part of class struggle and the trades union movement. It is in our power to reverse the disintegration of our country and take pride in what we can build in a united Britain.

A final sting: last month the official replacement value of the new parliament building was announced – at £220 million or just about half what it cost! How much waste can we tolerate?

Mounting casualties, d Secretary says the war

Multiple failures

THE WAR AGAINST IRAQ has failed in all its stated aims. Iraq is not democratic, not stable, not safe, not at peace and not independent. Prime Minister Allawi has imposed martial law and admitted that the elections scheduled for January will be delayed. His government has less popular support than Saddam had. Five thousand detainees held without charge or trial are still being humiliated, abused, tortured and murdered. The war of national resistance against the occupiers grows daily.

Outside Iraq, Bush's re-election is uncertain. Blair is a busted flush. Israel continues to attack the illegally occupied territories.

Independence?

How can Iraq be independent when there are approximately 163,000 coalition forces in there (141,000 US and 22,000 from other countries), plus an estimated 20,000 foreign mercenaries? As the Diplomatic Editor of the DAILY TELEGRAPH reported, a senior British official put it delicately: the Iraqi government will be fully sovereign, but in practice it will not exercise all its sovereign functions.

The war and occupation have caused the deaths of at least 12,721 Iraqi civilians, possibly as many as 14,751 (15 September, www.iraqbodycount.net). In April alone, US forces killed 4,000 people. All we have are estimates, since the US military do not count Iraqi dead, only American dead. To justify the aggression, Blair said that 400,000 bodies had been found in mass graves. Downing Street later retracted this claim – 5,000 bodies have been found so far.

We know what happens when aggressors define their actions as exceptional, beyond the normal rules of war. Hitler so defined his illegal war of aggression on the Soviet Union: by deliberately rejecting the Geneva Conventions, he opened the way to the subsequent war crimes – the massacres of civilians, the destruction of homes and goods, the humiliation, including forcible shaving, abuse, torture and murder of POWs and detainees.

Now Britain's Court of Appeal makes

Delayed elections, martial law imposed, and now the UN General Assembly was illegal: and Bush and Blair call it a success?

Life in the war against Iraq



Going nowhere: US occupation of Iraq has already reached the dead end

the appalling decision that statements made under torture elsewhere in the world can count as evidence in British courts.

The Pentagon estimates that US and British forces used 1,100 to 2,200 tons of depleted uranium weaponry during the March 2003 attack. Many scientists blame the far smaller amount of this toxic and radioactive metal used in the Persian Gulf War for illnesses among US soldiers, as well as for a sevenfold increase in child birth defects in Basra in Southern Iraq.

Iraq used to be free of al-Qaeda terrorism – now it is not. The House of Commons Foreign Affairs Committee

concluded on 29 July that Iraq has become a battleground for al-Qaeda, with appalling consequences for the Iraqi people.

Terrorism

Worldwide, terrorism has increased, not decreased. The US State Department has issued a corrected edition of its report *Patterns of Global Terrorism 2003*. The original version, released on 29 April, indicated a drop in total terror incidents and overall casualties. The corrected report showed an increase from 2002, a larger increase in significant incidents,

and a sharp rise in the numbers injured in terror attacks. A former CIA analyst and State Department official has documented 390 deaths and 1,892 injuries due to terrorist attacks in 2003. In addition, there were 98 suicide attacks around the world in 2003, more than any other recent year.

Indeed, Congress has already approved \$126.1 billion of military spending in Iraq and Bush has requested another \$25 billion – a total of \$151.1 billion this year.

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US and British oil companies stand to make vast profits out of Iraq – estimates range from \$12 billion to \$18 billion a year. Oil output has fallen but oil prices continue to rise, up by a third since December, to a new record of \$47 a barrel. We were told that the war will drive down oil prices.

Most of Iraq's reconstruction has been contracted out to US firms, rather than to experienced Iraqi firms. Top contractor Halliburton (Cheney's company) is being

investigated for charging \$160 million for meals that were never served to troops and \$61 million in cost overruns on fuel deliveries. Halliburton employees also took \$6 million in kickbacks from subcontractors, while other employees have reported extensive waste, including the abandonment of trucks worth \$85,000 because they had flat tyres.

National resistance

American military officials acknowledge that, contrary to US government claims, most of the insurgents are secular,

nationalist Iraqis angered by the presence of foreign troops, who want to get them out of Iraq. There are far more insurgents than previously thought, possibly as many as 20,000, with enough popular support to ensure that they cannot be defeated.

Civilian analysts agree, pointing out that US officials have long overstressed the roles of foreign fighters and Muslim extremists in efforts to link the insurgency to the war on terror. Too much US analysis is fixated on terms like jihadist, just as it almost mindlessly tries to tie everything to bin Laden, says US analyst Anthony Cordesman. Every public opinion poll in Iraq supports the nationalist character of what is happening.

Polls show that 86% of Iraqis want the US forces out, as soon as an Iraqi government is in place. Yet news bulletins and newspapers in Britain and the USA routinely describe only the US puppet troops as Iraqi, never the national resistance. Empire breeds resistance, which generates further repression, until victory by the forces of national liberation ends the cycle.

Blair lies

The Joint Intelligence Committee specifically told the Prime Minister on 15 March 2002: "Intelligence on Iraq's weapons of mass destruction and ballistic missiles programmes is sporadic and patchy." On 21 August 2002 it reminded him: "We know little about Iraq's chemical and biological weapons work since late 1998". On 9 September 2002 it reiterated, "Intelligence remains limited."

Yet in his foreword to the September dossier, the Prime Minister wrote, "The assessed intelligence has established beyond doubt that Saddam has continued to produce chemical and biological weapons."

And on 24 September he told the House of Commons, "The intelligence picture is one accumulated over the last four years. It is extensive, detailed and authoritative."

But the Speaker of the House of Commons doesn't see these as lies!

War illegal – Annan

It's official: Kofi Annan, Secretary General of the United Nations, has said that the war on Iraq was illegal. Below are extracts from an interview that he gave to Owen Bennett-Jones for BBC World Service at UN headquarters in New York on 16 September:

Q: Are you bothered that the US is becoming an unrestrainable, unilateral superpower?

A: Well, I think over the last year, we've all gone through lots of painful lessons. I'm talking about since the war in Iraq. I think there have been lessons for the US and there have been lessons for the UN and other member states and I think in the end everybody is concluding that it is best to work together with our allies and through the UN to deal with some of these issues. And I hope we do not see another Iraq-type operation for a long time.

Q: Done without UN approval – or without clearer UN approval?

A: Without UN approval and much broader support from the international community.

Q: I wanted to ask you that – do you think that the resolution that was passed on Iraq before the war did actually give legal authority to do what was done?

A: Well, I'm one of those who believe that there should have been a second resolution, because the Security Council indicated that if Iraq did not comply there will be consequences. But then it was up to the Security Council to approve or determine what those consequences should be.

Q: So you don't think there was legal authority for the war?

A: I have stated clearly that it was not in conformity with the Security Council – with the UN Charter.

Q: It was illegal?

A: Yes, if you wish.

Q: It was illegal?

A: Yes, I have indicated it is not in conformity with the UN Charter, from our point of view, and from the Charter point of view it was illegal.

Annan also warned there could not be credible elections if the security conditions continue as they are now.

Every time unions negotiate with an employer they form a kind of partnership. Not that they share common objectives or class interest, but the reverse...

NHS: Our agenda for change

HEALTH SERVICE WORKERS and their trade unions have developed plans to completely revitalise the pay of over a million-and-a-quarter health workers, offering them the greatest opportunity ever to take control of their working lives. Controlling your working life, the reason why most workers join a trade union, is the first step to controlling the rest of your life, a struggle for dignity and improvement. It begins locally, but if and when strength accrues then it becomes a national issue in which trade unions can bring influence to bear not just on isolated employers, but employers in a whole sector of the economy. That is what has been happening in the health service.

Change

Agenda for Change, as the pay improvements have become known, is also known as pay modernisation. For many people modernisation is a dirty word, and for understandable reasons. Under the guise of modernising, many intrusive and negative changes have been introduced to working lives.

Agenda for Change is being introduced by partnership working. For many, and for good reason, partnership also is a dirty word, having been associated with sweetheart single union deals involving no-strike clauses under the dark regime of Thatcher. So any consideration of Agenda for Change should first tackle head-on these two words, concepts, and put their meanings into context.

Modernisation

To begin with, modernisation. Although the NHS pay system is 60 years old, that is not alone reason to change it. There may be chaos in the pay system but that has many benefits for workers as well as presenting many difficulties. Where workers are stronger, they do better. The same is true in reverse for employers. Where workers are weaker, employers do better and workers are exploited. It is this weakness of workers, and their exploitation, which we seek to eradicate. Attaching the word modernisation to this pay improvement should not mislead us



Workers and their trade unions in the health service have recognised the dependence of the government on improving NHS provision in order to survive in power.

into assuming a negative meaning.

Perhaps now is the time to call Agenda for Change “pay improvement in the NHS”, for improvement it is. The overwhelming majority of NHS staff will gain not just an improved basic rate of pay, but also many hundreds of thousands will see a reduced working week and additional annual leave. Many of these in the lowest paid manual jobs. Do those opposing change not want to see manual workers with gains they themselves have enjoyed for years?

Improvements

You have to be wilful indeed not to see these changes as improvements. But there are many out there who do not, and seemingly want to see the ambitious and bold process, initiated by workers in their

trade unions, fail. They have eagerly seen any real or perceived failing in the pay improvement strategy as proof that no improvement can be made.

Failure would perhaps in their twisted logic justify their decision not to assume responsibility for improving their own working lives. They want to leave it to others, and then carp from the sidelines when things go wrong. If things don't go wrong, then they have to contribute to making them go wrong. That is where honest opposition flips over into dishonest sabotage. Such has been the outcome of many recent developments in the Agenda for Change process.

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Many opposed to the whole project have been involved in destabilising it at the twelve Early Implementer sites. For example, opponents crowed that Sunderland Healthcare Trust's alleged withdrawal from Agenda for Change was proof that the system cannot work. In truth, negotiators in Sunderland misapplied the Agenda for Change procedures, kept the results to themselves rather than discussing it with colleagues and made a dog's breakfast of the whole as a result. No doubt this will eventually be clear to all, but in the short term should not be allowed to deflect us from our objective: improved pay for NHS workers.

Sleight of hand

Similarly, attempts by London employers through sleight of hand to seek financial reimbursement by bumping up the number of people needing pay protection, rather than digging into their own coffers to pay recruitment and retention premiums, were seen through by Unison's national negotiators, but not by an embarrassingly large number in London Unison who chose to side with and believe the figures of employers rather than their own negotiators.

These are two among many examples of defects, not in the proposed new improved pay system, but in the capacity or willingness of some employers and workers to implement them. They should work to catch up, not hold back the NHS by resisting this change.

Partnership has had a bad press. Not surprising, since it was the weasel word used to signify submission to employers in the private sector by unions cravenly seeking advance through the disruption of industry and fellow trade unions. In an attempt to avoid the destruction wrought by such as Murdoch, the once-proud electricians' union pioneered partnership agreements in the print and other industries which involved them in the attempted disruption of print unions.

This is a matter which has been understood by workers for a generation. It

'Partnership has had a bad press. Not surprising, since it was the weasel word used to signify submission to employers in the private sector...'

is the kind of partnership foisted upon workers by rapacious employers seeking an unequal and exploitative relationship.

On the other hand, every time unions negotiate with an employer they form a kind of partnership. Not that they share common objective or class interest, but the reverse. They are signing a kind of truce between battles during which negotiation can regulate relations between them. That this truce will inevitably be broken, by the employers when we are weak, or by us when we are strong, sets the agenda for the next round of negotiations.

Partnership on our terms

Workers and their trade unions in the health service have recognised the dependence of the government on improving NHS provision in order to survive in power, and have skilfully exploited this. This is a partnership on our terms. We have insisted that the pay improvement can only take place with the co-operation of trade unions, which gives us a kind of veto. In parts of the NHS where unions have been excluded for generations, and newly established places also, recalcitrant employers have had to tolerate union intrusion. Indeed, in a welcome turnaround after 20 years of Thatcherism, employers now have to assist unions in recruiting both members and local representatives.

There have been isolated attempts by employers to pretend we share the same interest, suggesting that the sides of a negotiating committee (the employer's side, the trade union side) should cease to

exist entirely and that there should simply be members of staff. This is a nonsense. Partnership is simply a means of regulating the relations between the sides, not a means of abolishing them. Few, if any, on the workers' side make this mistake and those on the employers' side who do are in for a shock. Should the outcome of these pay negotiations prove negative to workers then you will see no partnership.

On 7 October Unison's Special Health Conference will debate Agenda for Change and make a recommendation to its 450,000 members in the subsequent ballot. This recommendation must be to accept Agenda for Change.

That we have had to deal with problems of process and attempted sabotage is a choice, and a welcome development. That we have involved what will be a new generation of working class leaders in trade unions is perhaps the greater longer-term achievement. That we shall transform the working of the NHS under the control of workers is something hitherto not seen on such a scale. It is for this and future generations of health workers to build upon these historic achievements and to ensure that the health service becomes safe from attack.

Invulnerability, though, can never be assured as long as workers control only individual sectors of the economy, but not the economy itself. For that our control as a class must be more pervasive; we would have to have political power for that to be. So let us consider this, and how to get it. We need not just to be close to the levers of power, we must know how to take hold of and wield them.

Continuing to lead

We have raised our heads and engaged in a great undertaking. We have not let ourselves or our generation of health workers down, and have exceeded expectations. We have done this through courage and boldness and a refusal to be deflected. Unison must continue to lead, calling on all its members to accept and extend control of our working lives through a vote to improve pay in the NHS.

Reg Birch:

engineer, trade unionist, communist

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Will Podmore

The TUC can see as well as anyone that manufacturing is haemorrhaging jobs and is being blinded by its own subservience to the Labour government – and

Manufacturing industry – a tale of two reports



Photo: Workers

Workers fighting to keep Rover in 2000 – but industrial decline under Labour has been remorseless

IN JULY, THE TUC published an important report: *MANUFACTURING NOW: DELIVERING THE MANUFACTURING STRATEGY*. It provides an accurate description of the murder of whole sectors of manufacturing in Britain, events that have been virtually ignored. But it fails to put forward any effective remedy, accepts EU policies which are harming and even destroying our manufacturing industry, and winds up merely begging the government for hand-outs.

Debate needed

We as a nation urgently need a debate on manufacturing. All too often, the entire party-political debate is about how to manage – actually, how to destroy – public services. Are workers supposed to assume either that our industry is safe – which the TUC has shown is clearly untrue – or that it is unimportant?

The report provides evidence of the severity of the situation, showing how the economy is still struggling to shake off the near recession conditions of recent years. Jobs are being axed at a remorseless rate with investment at an

historic low.

Over this year to April, manufacturing lost 106,000 jobs, taking total manufacturing job losses since 1997 to just over 770,000, a fall of 18.6%. More alarming still is how widespread the losses are across not only the traditional industries but also those in high tech. The table (right) illustrates the point.

Investment

The report also provides the latest figures on manufacturing investment levels, which show a decrease in the first quarter of 2004 by 1.2% compared with the previous quarter.

Investment has fallen significantly every year since 2000, and is now 28% lower in real terms in the first quarter of 2004 than in the first quarter of 2000. Trade has suffered accordingly and in the three months to April 2004 the country imported nearly £10 billion more than we exported.

The trade deficit on manufactured goods for the whole of 2003 was just under £40 billion, and we are on course to at least match that deficit.

The report goes on: “In its manufacturing strategy of 2002, the government noted that manufacturing accounted for a fifth of the economy, employed around four million people, and was responsible for 60% of our exports and 80% of our R&D (research and development).

“However, significant weaknesses include that we invest less in capital equipment and R&D, and our average skill levels are lower, than our competitors. Manufacturing in Britain has lost more jobs than other major European economies. Employers are going for job cuts as quick fix solutions to short term pressures, because it is easier and cheaper to close

factories and shed labour.”

Weakness

The report followed the draft TUC submission, *MANUFACTURING STRATEGY REVIEW* (March 2004), which showed the TUC’s refusal to face reality, its cargo-cult mentality of relying on the government and the EU to save industry.

The submission made no mention of unemployment. In Britain, no fewer than 7.9 million people of working age are economically inactive. Of these, 22% said they wanted work, compared with 8% of the economically inactive in Germany, and 2.8% in France. In Liverpool, for instance, only 55% of working-age people have jobs. Why the mass unemployment? Because manufacturing employers are sacking industrial workers in their millions, in Britain, as in Europe and the USA. It is destruction, not restructuring.

Britain has long suffered from underinvestment in R&D, production and skills. Why? Because the employing class is too greedy – it prefers to take value out to put dividends in its own pockets, rather than put value back in by investing

...sacrificing jobs, but when it comes to finding solutions it is
 ...to the European Union...

...ports as the TUC begs for handouts

in the development of workers' skills. Successive governments have destroyed apprenticeships, for which GNVQs, national "skills ladders" and "escalators", modules and two-week plumbing courses are no substitute. Our staying-on rates for post-16 education put us close to the bottom of the international league. Why? Because young people are not going to train for jobs that are not there!

Regions and quangos

The TUC talks about regions, with no concrete proposals. This is a deliberate turning away from the necessary national solutions, and a willing embrace of the EU's proposed new regional structures, its quangos like Regional Development Agencies, Regional Skills Partnerships, and "devolved business support programmes".

The TUC refuses to recognise that the EU determines procurement policy, enforcing an exclusive focus on "value for money", overriding any consideration of the effects on British jobs. It even praises the EU's strict competition rules. It kowtows before the EU's employment laws – which have not stopped 20 million workers being unemployed. It ignores the fact that EU membership has lost us control of all our industries and utilities.

The TUC sees Britain as a lame duck

'The TUC sees Britain as a lame duck and begs for bigger subsidies, mirroring the way that it approaches the Labour government, cap in hand...'

and begs for bigger subsidies, mirroring the way that it approaches the Labour government, cap in hand. This is what corporatism means – incorporate us please, even though the employers and the government don't want the TUC in! It's like a whipped dog returning to its master, hardly a suitable role for the British working class.

The TUC makes no mention of finance capital's damaging role, how it flees abroad, and won't stay in Britain for anything less than a guaranteed return of 25% a year. It ignores the damaging role of venture capital – 70% of it is used to leverage management buy-outs, destroying existing value; only 30% goes

towards helping company start-ups. And this government, like all previous capitalist governments, encourages capital flight, refuses to protect industry, and sells off our energy sources.

The TUC complains: "There is not one reference to manufacturing in the current set of Public Service Agreements targets between the Treasury and the Department of Trade and Industry. Nor is there any specific reference to manufacturing in the overall 2003 DTI Strategy and Business Plan Statement." Fortunately, this is soon remedied: Gordon Brown made a speech on 23 July mentioning manufacturing, so all's well again – "We've got Gordon back on side."

There is no sign that this servile report was produced by a working class. It is more like a think tank report, with its talk of "innovation intermediaries" and "workplace partnership".

It is an ever-so-humble submission, using equalities language, "level playing field" and closing "regional prosperity gaps". It talks of closing the gaps with the EU, seeking to reach the EU average – what a banner to march behind! We must all be equally unemployed!

The submission does not refer to any particular industry, not even to engineering; and it does not say what industries Britain needs to have as an independent nation.

Jobs lost as manufacturing disappears

Employees UK	March 2004	Change over year to March 2004	
Manufacturing	3,390,000	-99,000	- 2.8%
Electrical engineering	378,000	-20,000	- 5.0%
Textiles	169,000	-19,000	-10.1%
Ceramics, metals	560,000	-15,000	- 2.6%
Transport equipment	350,000	-13,000	- 3.6%
Chemicals	223,000	- 9,000	- 4.0%
Machinery	303,000	- 7,000	- 2.3%
Paper, print, publishing	429,000	- 5,000	- 1.1%
Plastics & rubber	211,000	- 4,000	- 1.9%
Food, drink, tobacco	458,000	- 4,000	- 0.9%
Other manufacturing	308,000	- 3,000	- 1.0%

Source: Office for National Statistics

The way forward

Instead, why doesn't the TUC send some transport workers to New York to see how they run their tube system? They have dedicated industries building their own rolling stock, track and signalling equipment. They have a computer-laden train constantly monitoring the track's condition, sending information to teams of skilled engineers who promptly respond to their alerts. Our representatives could learn from New York's achievements and come back with some proposals for a remanufactured London Underground.

The TUC could do likewise with all our industries, involving workers in finding out what we need to produce and how to do it.

Seventy-five years ago this month the Great Crash occurred on the markets, precipitating mass unemployment, heightened exploitation, and capitalism really changed since then?

The day the markets died

THE GREAT CRASH of 1929 happened 75 years ago this month. Despite its claims, one wonders whether capitalism has really changed all that much.

The 1920s in the USA were years of bull markets, marked by ruthless greed and reckless euphoria. Investors, fuelled by bank and broker loans, herded into stocks of companies involved in exciting new technologies like the radio and mass electrification.

The bull market – especially in issues of public utilities – was driven by mergers, new groupings and corporate buying for employee stock funds. Later, THE SATURDAY REVIEW bemoaned “the avarice of an era that favoured the rich; and the later anguish of myriads of speculators doomed by a bloated market, easy credit, and their own cupidity and stupidity”.

Forgery

The crash had its own Enrons and World.coms. For example, Clarence Hatry and his associates admitted to forging the accounts of their investment group to show a fake net worth of £24 million, rather than the true picture of £19 million debts. This led to forced liquidation of Wall Street positions by British financiers. The collapse of Middle West Utilities, run by the energy tycoon, Samuel Insull, exposed a web of offshore holding companies whose only purpose was to hide losses and disguise leverage. Richard Whitney, the aristocratic Morgan broker and head of the Stock Exchange, ended up in Sing Sing, the New York jail

Inequality skyrocketed, due to great and growing exploitation. While output per man-hour shot up by 32% between 1923 and 1929, wages crept up only 8%. In 1929, the richest 0.1% of the population earned as much as the poorest 42%. Business-friendly administrations reduced by 70% the taxes paid by those with an income of more than \$1 million. But in the summer of 1929, businesses reported sharp increases in inventories: workers were too poor to buy the goods they produced. In June, industrial production, steel

production and homebuilding all fell.

The crash was there waiting to happen, but finally set in motion by actions of the US Federal Reserve and the Governor of the Bank of England. Starting in 1928, the Federal Reserve initiated a sharp reversal of its reflationary, “cheap money” policies which had been intended, as Adolph Miller of the Fed’s Board of Governors told a Senate committee, to start an outflow of gold – to reverse the previous inflow of gold into the US (back to Britain). But by the time the Fed raised interest rates, it had already lost control of the speculative rush.

Webster Tarpley wrote in his BRITISH

FINANCIAL WARFARE: “When this Wall Street Bubble had reached gargantuan proportions in the autumn of 1929, Montagu Norman [governor of the Bank of England 1920-1944] sharply [upped] the British bank rate, repatriating British hot money, and pulling the rug out from under the Wall Street speculators, thus deliberately and consciously imploding the US markets.

“This caused a violent depression in the United States and some other countries, with the collapse of financial markets and the contraction of production and employment. In 1929, Norman engineered a collapse by puncturing the



Unemployed workers setting out from Glasgow to march to London in 1934. Mass unemployment throughout the industrial world (apart from Russia) followed the Crash.

the world's stock ation, and war. Has

bubble.”

On 24 October the panic began: more than 12 million shares were sold that day; on 29 October, 16 million. The Wall Street meltdown destroyed savings, investment and jobs.

From 1930 to 1940, there were never fewer than eight million American workers unemployed. In 1933, thirteen million, a quarter of all workers, were jobless; in 1938, it was still a fifth. Right up to 1941, the value produced was less than before the Crash. The famed New Deal never succeeded in ending the slump. Only the Second World War pulled capitalism out of self-induced disaster.

Soviet success

In a global economy, disaster in the USA caused disaster across the world, with one exception, the Soviet Union, where they were a year into their first Five Year Plan, successfully building a world independent of the greed and follies of a capitalism in absolute decline. In every other country, the ruling class attacked the working class, axing jobs, production and wages.

Today's stock markets again see speculation and rising prices. Finance capital sucks the life out of the system, siphoning collectively produced wealth into private pockets. Capitalism is ever less able to produce goods and raise living standards. Capacity to produce far outstrips production, which in turn far outstrips consumption.

Current earnings cannot cover current needs, leading to ever-higher national, government and household debts and vulnerability (Britain's personal indebtedness now totals £1 trillion).

Since March 2001, about \$5 trillion of market capitalisation in the Nasdaq market for shares in hi-tech firms, has just vanished. Yet delusions still prevail: Federal Reserve Chairman Alan Greenspan told Congress this summer, “While bubbles that burst are scarcely benign, the consequences need not be catastrophic for the economy.” How long before the balloon pops and the economy deflates?

WHAT'S THE PARTY?

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

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

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

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

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

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

Step aside capital. It's our turn now.

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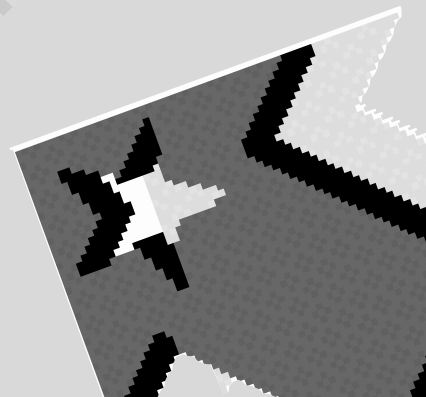
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Back to Front – Made in Britain

‘Delegates seemed to find it easier to value national liberation and independence for other countries than for their own...’

THE WAY SOME people in the labour movement see Blair, you’d think that his position of leader was some kind of historical accident, the result of a hijacking rather than what it is — an organic development within the Labour Party, made in Britain, the natural culmination of a journey that started with Ramsay Macdonald, continued with Attlee and NATO, Wilson and the first attacks on unions, and went on with Callaghan and the Winter of Discontent.

Maybe that’s why he got treated to such a wall of silence when he went to address the TUC in Brighton. As though he was just some kind of temporary interloper who could be ignored or shunned, rather than what he is: a product of our movement’s own backwardness and refusal to take the future into our own hands.

The opposite of silence greeted Pedro Ross, the representative of the Cuban TUC. He got a standing ovation, and a motion supporting Cuba — the first from a trade union centre in Europe.

But delegates (and here they reflect much of the strength and weakness of workers in the country at large) seemed to find it easier to value national liberation and independence for other countries than for their own. The debate on the European constitution, while a step forward, showed how much further needs to be gone. While four unions opened up honest debate, an amendment noting “concerns” among affiliates was defeated — but the concerns, of course, continue.

And at least the motion passed does not commit the TUC to blind support for the constitution. It supported a

referendum, but stopped short of supporting (or opposing) the constitution to give the General Council and unions time to assess what it means — as if that were not already obvious, as the fringe meeting organised by WORKERS, entitled “For Manufacturing and Public Services — No to the EU!”, demonstrated all too clearly.

Still, at least the debate can continue, or, in the case of some unions, begin. Just as long as it isn’t left to the TUC’s research department, whose analytical skills seem finely attuned to effects and totally blunt when it comes to looking for causes. As the article on manufacturing (page 12) shows, subservience to the European Union — the architect of much of our industrial destruction — is alive and well in Congress House.

Outside the TUC in Brighton, as an unseasonable storm symbolically lashed Brighton’s crumbling West Pier, a lobby by Turner & Newall pensioners (see picture, page 4) provided a sharp reminder of how industrial and financial decay are eating away at the livelihoods of the working class.

It was noticeable that Jaguar waited until the end, with delegates already on their way back home, to announce the closure of its Coventry plant. Not that the Ford Motor Company cares about the TUC, but they probably acceded to a government request to delay the bad news. Announced earlier, it might have taken some of the wind out of Blair’s sails as he spun his familiar threadbare tale about Britain’s industrial success under his leadership. That spin again.

A fuller report on the TUC Congress will appear in the next issue of WORKERS.

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