JANUARY 2011 £I ww.workers.org.uk



WANTED: A NATIONAL PLAN FOR ENERGY



Health The threat to London **O**5



Student fees Parliamentary dictatorship



WORKERS

Weakness and strength

WE START 2011 with a government both weak and vicious, a coalition of the desperate. The question for workers is whether we can lift our eyes from the consequences of their viciousness and see how weak they really are.

Our needs as a class, the needs of Britain, are for industry, for manufacture, for energy, for construction – for the resources to feed, clothe and house us. The government offers only cuts, taxes, oppression and political chicanery in an attempt to stay in power for just a little longer.

Workers in too many industries have stood on the sidelines and seen destruction continue. Yet those that have fought with skill and unity have preserved their relative strength vis-a-vis the employers, such as the London ambulance workers. Some, like the BBC journalists, have drawn a line in the sand; would that others did so too. Some, like the engineering construction

workers, have changed the political debate in Britain through their fight for British jobs for British workers — one of the seminal struggles of the past few years.

Now those same engineering construction workers are locked in battles across the country to defend their terms and conditions, and fighting back – see the article on page 6. More strategically, their pressing issues – and they are mirrored across Britain's industries – are the training of future workers, and a national plan for their industry, energy.

national plan for their industry, energy.

We are the many, they are the few: so reads a student banner pictured on page 9. But so long as we stand to one side and fail to capitalise on our strength and their weakness, we will be left bemoaning cuts but not fighting for a future. There is a future for Britain, but we will have to seize it ourselves.

Gerrymandering for capitalism

CAMERON'S Commissioners of Boundaries has now been established to re-draw the constituencies for MPs. Cameron's plan is for a smaller parliament, roughly 600 MPs in equal-sized constituencies too large for anyone to feel represented. Less input from Wales and Scotland, to keep them uninvolved.

The Commissioners are to meet in secret,

consult no one, and their decisions are unchallengeable. It's a structural coup d'état to ensure the economic and political domination of capitalism.

This should come as no surprise to anyone. All parliamentary parties are colluding in this process. The road to fascism in Britain starts in the halls and lobbies of Westminster.



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We need manufacture

BRITAIN NEEDS to create hundreds of large manufacturing companies if our economy is to grow, according to The Shape of British industry: growing from Strong foundations, a report by the EEF (as the Engineering Employers' Federation now styles itself) and the Royal Bank of Scotland. (The report can be downloaded from www.eef.org.uk/publications.)

Big companies support supply chains, drive product development and invest in skills, the report says. The largest 1 per cent of manufacturers account for half the jobs and two-thirds of turnover.



The report, though, identifies a structural problem: "The UK has relatively fewer large manufacturers – those employing more than 250 people – than our closest competitors." Only 1.2 per cent of British manufacturers employ more than 250 people, compared with 2.1 per cent in Germany. In the USA, companies with 500 or more employees account for 2.9 per cent of manufacturers, compared with just 0.6 per cent in Britain.

The bosses think that part of the solution will lie in attracting more foreign-owned manufacturers to Britain. In fact, that would just make an unbalanced situation even worse, though: foreign-owned manufacturers such as Siemens and Toyota already make up two-thirds of the largest manufacturers here. We need more home-grown companies. We need to direct support to high-growth sectors such as nuclear energy, electric cars and high-speed rail.

Access to finance needs to improve, through providing alternatives to equity finance and merging government-backed schemes into a single source of funding.

Manufacturing, which employs 2.5 million workers, can create jobs, in spite of having lost nearly 4 million since 1980. It created 165,000 in the five years after the previous recession in the 1990s.

But the sector has so far regained only a third of the 15 per cent drop in output it suffered during the current recession — it is down 10 per cent since 2008 — and its growth could be held back by having far fewer large companies than competitors like Germany and the USA.

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

NEWSPAPERS

Journalists strike

JOURNALISTS WORKING for Newsquest in Brighton and Southampton struck for 48 hours on 7 and 8 December in separate disputes with the local newspaper group.

For the Brighton journalists, members of the NUJ, it was their second round of action in a fight over plans by management to move subediting to Southampton.

They are being supported by their colleagues in Southampton, who were striking against a pay freeze and management's refusal to pay personal bonuses.

On 8 December the journalists from the Southampton DAILY ECHO sang carols in the city centre as they handed out leaflets to the public.

Meanwhile, action is looming all over Newsquest. The NUJ reports that members at Blackburn, Bradford, Bolton and York have also voted to strike. And the Warrington chapel (office branch) voted on 8 December to ballot for action over the ongoing pay freeze.

Also part of the Newsquest group, journalists at the GLASGOW HERALD, SUNDAY HERALD and EVENING TIMES have voted unanimously to ballot for industrial action against compulsory redundancies.

Michelle Stanistreet, NUJ Deputy General Secretary, said: "Newsquest and their American owners have been relentless in their pursuit of higher profits at the expense of quality journalism, and their staff have simply had enough. The growing anger amongst journalists throughout the group and their determination to bring the company to the negotiating table is clear."

Newsquest's latest profits totalled £88 million.

EUROBRIEFS

The latest from Brussels

All power to Brussels

UNDER THE Lisbon Treaty, the EU gains new powers over justice and home affairs, with European judges being granted the final say over the whole area. It is also the fastest growing item in the EU budget. The European Commission gets more powers to draw up new laws, the European Parliament has the power to amend them, and the European Court of Justice (ECJ) is responsible for enforcing them.

The government's proposed European Union Bill ignores a huge range of areas where the EU can pass new laws. The bill does nothing to stop the day-to-day transfer of powers over crime, policing and immigration from Britain to the EU.

The current bill does not require a referendum on the extension of Eurojust's powers, to include the power to investigate crimes here, something that before he became Prime Minister Cameron said he opposed. Nor does the bill require a referendum to abolish our veto over family law proposals.

French attack on industrial 'genocide'

A COLUMNIST in the French newspaper LE FIGARO wrote, "The Greek domino fell last spring. The Irish domino has been wobbling over the last days. The Spanish domino will follow suit, along with the Portuguese domino. This is all very sad for those experts who conceived the eurozone and put it into practice — by pursuing an often absurd monetary policy which led to the 'genocide' of our industry."

Stop the pressure, says Africa

AFRICAN STATES want to end ten years of trade talks with the EU, because of what they call the European Commission's "pressure tactics" to liberalise their economies. In its free trade talks with India, the EU is pushing for intellectual property rights that would threaten the flow of cheap, life-saving medicines.

Croatians worried

A RECENT Gallup poll found that most Croatians oppose their country joining the EU, due to fears for their fisheries and tourism industry. Yet Croatia is still widely expected to join the EU in 2012.

INVESTMENT

Hedging bets

THE CHINA Opportunity Master Fund, minimum entrance fee \$1,000,000, has been established by US entrepreneurs (that's a polite word for them) to try and generate a crisis of confidence — not in Portugal, Spain, Greece, Italy or Ireland, but in China's economy.

The fund is the invention of Corriente Advisors, a Texas hedge fund that made its fortune hedging its bets on the debts, foreign exchange currency gambles and subsequent crisis of the US slump, and also the European debt crisis.

In other words, Corriente thrives on speculation, currency and debt manipulation, hoping to create a crisis and

hence reap vast profits by being one step ahead of the collapse. This is capitalism betting on its own demise, the trick being the one company to survive the bloodbath of your peer group.

Corriente is now creating a propaganda myth machine to attack the Chinese economy, hoping to generate the same crisis of confidence as that which hit EU states and currencies. The idea is to bring the Chinese economy – in Corriente's words, in the "late stages of an enormous credit bubble" and an "enormous tailrisk" – to its knees.

So an economy of over 1 billion people is the target of these speculators who live by gambling on debt, manipulation of government bonds and speculation on currencies, aptly described as "disaster capitalism".

Attack on union training

THE COALITION government is repeating its commitment to the legislation protecting time off for trade union training for stewards and lay union officials. But on the other hand such are the new rules that stewards will only be entitled to one training course of no more than five days a year, unless they are doing a diploma level qualification, which attracts ten days. A diploma, the mind boggles!

At the same time the government is attacking facility time off, so even if you can go to be trained, the employer will not have to release you. The unions are having to re-think how training is delivered: it will be in-house, it will be distance learning, it will be in the workplace.

At the same time the government is changing the funding arrangements for that time off, and changing the substance of what that training can encompass. The 40 per cent cut in further education college funding also threatens the economic viability of trade union education courses. Then with great hypocrisy the government says, yes, we want trade union training and education because all previous government, business, and TUC surveys show that a trained steward saves employers money, in fact saves hundreds of millions of pounds to the economy.

The attitude that trade unions should survive on the largesse of the employer or incorporation by the government is over. We will have to stand on our own two feet and rediscover our roots as to why independence of thought gave rise to independence of action.

POVERTY

As long as capitalism is here

THE NUMBER of children living in poverty in working households has risen to record levels in Britain, reaching 2.1 million youngsters, according to a report from the Joseph Rowntree Foundation, Monitoring poverty and social exclusion 2010.

A further 1.6 million children were in poverty in out-of-work households. And between 2008 and 2009, 13 million people were living in poverty in Britain.

The unemployment rate among those aged 16-24 was at 20 per cent by mid-2010 – the highest in 18 years and three times that for other adults.

That's hardly surprising, given the estimates for employment in the report. By mid-2010, almost 2.5 million people in Britain were unemployed, slightly more than in 2009. In total, around 6 million were unemployed, "economically inactive" but wanting work, or employed part-time and unable to find full-time work.

And did things improve under Labour? The report looks at a ten-year assessment that "broadly represents" the Labour government, and a five-year one starting three years before the onset of the current recession. "In each case, the assessment of change is a matter of judgement rather than statistical significance," it says. In other words, no.

The truth is that so long as there is capitalism, poverty will always be with us.

Health threat to London



HEALTH SECRETARY Andrew Lansley only has one mantra for addressing health care issues — "the market! the market"! This is demonstrated by his response to two different NHS Trusts in London facing challenging and uncertain futures.

In the Barts and the London Trust, Barts – Britain's oldest hospital, dating back to 1123 and one of our leading cancer and cardiac specialist centres – has a new £1.3 billion Private Finance Initiative hospital scheduled. Leaving alone the disaster of PFI and its inherent associated debts, Barts will be further cursed by having its commissioning decided by the local general practitioners. The GP consortia, still in the process of being established, will have to make a decision: support this state of the art hospital, covering a catchment area of effectively 4.5 million patients, and in the process rationalise lesser specialist hospitals in their area by moving them to Barts; or not support Barts and leave the antiquated and outmoded hospitals intact. The latter choice will mean that patient care will suffer and that the billions invested in Barts will be wasted as it will go bankrupt.

Lansley's response to this economic threat to Barts is effectively "let it go bankrupt, 'the market' will resolve the problem". In other words, Barts will be asset-stripped by a private health provider. The GPs, if they want to keep their patients alive, will have no choice but to buy into the privatised provision.

In completely opposite circumstances, South London Healthcare NHS Trust presents another gloomy picture. South London Healthcare was the shotgun marriage of three Trusts — Queen Mary's Sidcup, Queen Elizabeth Hospital and Bromley Hospitals. Bankrupted by years of management incompetence, it inherited debts of £100 million. These are PFI debts that will ruin the hospitals financially. The marriage was a radical attempt to slash costs and turn the situation round.

These hospitals have suffered years of continual political interference by politicians in South East London and Kent; now it has just got worse. The Lansley solution is once again: "the market". The marriage is to be dissolved, its assets shared out. Queen Mary's, a political bribe to the Tories of Sidcup from the late Edward Heath, is already being piloted as a GP consortia buy-out – another private hospital built on public money. Bromley is tipped to be snapped up by a private health provider, probably a multinational. Queen Elizabeth and Greenwich, based on the old army hospital in Woolwich, is likely to be asset-stripped and reduced in function. For patients in South East London, especially the poorer areas of Woolwich, Charlton and Erith, which have suffered decline since the closures of the manufacturing base in the 1970s, healthcare provision looks grim.

So here are two radically differing examples of healthcare provision in London, both being offered the only medicine in town — "the market" — so medicine that will not help any hospital get better. For example, Barts needs to be relieved of the crippling PFI debts which guarantee bankruptcy. Systematic healthcare planning, based on an integrated model, needs to be introduced and the commissioner/provider internal market split needs to be abolished. It is just a licence to print money. Lansley's solution of selling off to the private healthcare providers NHS hospitals deemed to be failing or bankrupt has to be opposed. Otherwise it will only be a question of time before all the assets of the NHS are handed over to private interests. Londoners must fight for what is theirs.

WHAT'S ON

Coming soon

MARCH

Thursday 3 March

Public meeting organised by the CPBML. Details to be announced

7.30pm, Conway Hall, Red Lion Square, London WC1R 4RL.

All welcome.

Saturday 26 March

"March for the Alternative: Jobs, Growth, Justice"

London, details to be announced

It's not too early to begin mobilising for the national demonstration called by the TUC for March. For more information as the event firms up, look for updates on www.tuc.org.uk/events.

WIKILEAKS

Failing wars

WIKILEAKS HAS published secret US military files portraying the failing war in Afghanistan. The files reveal how coalition forces have killed hundreds of civilians in unreported incidents, while Taliban attacks have soared.

Afghan war logs revealed the activities of Task Force 373, the "black" unit of special forces charged with hunting down targets for assassination or detention without trial. In many cases, the unit has simply killed people without any attempt to capture them. The logs also reveal that TF 373 killed civilian men, women and children, and Afghan police officers who strayed into its path.

Iraq war logs showed that US authorities failed to investigate hundreds of reports of abuse, torture, rape and even murder by Iraqi police and soldiers whose conduct appears to be systematic and normally unpunished.

Also, Secretary of State Hillary Clinton instructed her ambassadors, envoys and diplomats to spy on United Nations personnel, including its secretary general Ban Ki-moon and the Security Council representatives of China, Russia, France and Britain.

TRADE

Gap widens

BRITAIN'S TRADE gap widened to £8.5 billion in October, up from £8.4 billion in September. Economists had yet again incorrectly forecast a reduced deficit. Imports rose to a record £31.6 billion.

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As the looming crisis about Britain's ability to produce enough particular a crucial position to exert working class control. The employers,

West Burton: engineering construction wor

FOR THE FIRST week in December 2010 and during the atrocious freezing weather, engineering construction workers building the new power station at West Burton in Nottinghamshire took action and remained in their cabins, steadfastly refusing to be bullied into accepting damaging changes to their terms and conditions.

EDF, the client and also the main contractor, together with Amec had said some months previously that they wished to introduce clocking on/off machines at the workface. These were to monitor workers' attendance and the records then used in the redundancy selection process, itself a point of contention.

It has been accepted by construction workers that LIFO (Last in First Out), while potentially unlawful as a means of redundancy selection, is the fairest method. Amec used their lawyers to insist on the "Bradford factor" (a means of measuring workers' absenteeism) as part of the selection process.

The full-time stewards on site offered to get the signatures of every single worker agreeing to LIFO but again this was rejected.

At the PJC (Project Joint Council) meeting in the last week of November, the employer announced that the clocks would become operative as from 29 November. This was rejected by the unions Unite and GMB, which sought to register "a failure to agree". Both EDF and Amec refused to accept this, stating that they were going to do it anyway.

Testing ground

West Burton has been touted as the testing ground for EDF and the first of the scheduled new nuclear builds at Hinkley Point in Somerset. For many months the employers had been complaining that the productivity of the job was unacceptable and while recognising that the reason for this was mainly down to management shortcomings, insisted that the remedy and sacrifice should fall on the workers.

The woeful design of the site has meant that the canteen and toilet facilities are situated a good ten minutes' walk from the workfaces. Needless to say this has meant that the mid morning tenminute break became stretched to at

least half an hour, and the thirty-minute lunch break extended to fifty. It is also rumoured that the job is currently running at £100 million over budget and EDF is on the backs of the local (mis)management.

Threats of using swathes of foreign workers to build Hinkley, of not using the Blue Book agreement (NAECI, the National Agreement Engineering Construction Industry), of not building Hinkley at all – build it in France and export the electricity etc – are uttered regularly in a vain attempt to get workers to give up the morning break and add the ten minutes to the beginning or end of the shifts.

So, with heavy snowfalls and temperatures plummeting to -15 Celsius, working conditions became totally unsafe. Many were unable to even get to the site but nevertheless the employers insisted that the workforce go to work. Struggling to get to the workfaces, workers refused to use the clocks at their break times; the employers retaliated by saying that they were not required on the job. Thus, on the morning of 30 November the men "cabined up".

Management began using tactics reminiscent of the enforced disputes in 1960s British Leyland. When there was no room left in the car parks for cars coming off the production line, management issued some threat or other and workers downed tools. Hey presto, management could temporarily halt the overproduction and save on the wages too.

In the case of EDF, the weather made the site unsafe. Management tried to insist work continued and the workers said no. The union issued a repudiation notice and the employer saved on the wages they would have had to pay due to the unsafe conditions. To highlight further the incompetent and unreasonable attitude of the employer, the site designer thought he could save a mere £6,000 on thermal lagging of the pipes to and from the toilets – end result was that they were frozen solid and workers had to be sent home!

Throughout the action the men

Meet the Party

The Communist Party of Britain is holding a series of public meetings in London throughout autumn and spring 2010-2011. All meetings will be held in the Bertrand Russell room, Conway Hall, Red Lion Square, Holborn, London WC1R 4RL, nearest Tube Holborn, 7.3 ppm start.

The next meeting dates will be: Thursday 3 March 2011; Thursday 23 June 2011. The meeting themes will be announced nearer the date. Interspersed with these public meetings, the Party runs regular political study and discussion groups for interested workers.

The Party's annual London May Day meeting will be held on Sunday 1 May 2011, in the Main Hall, Conway Hall, Red Lion Square, Holborn, London WC1R 4RL, nearest Tube Holborn, 2.00pm start with speakers, food, bar and interesting political discussion.

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



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oower develops, the workers building the power stations are in of course, have other ideas...

kers dig in as employers seek changes



disciplined, which represented a most positive step forward. Instead of the previous backbiting and complaint about the shop stewards, a general unity flourished and praise was heaped upon them. By 7 December, following further negotiations, the employers back-

pedalled and accepted the "failure to

remained steadfast, united and

agree", effectively reintroducing the status quo.

But as is often the way, the employers were spitting feathers at being turned over in such a disciplined way and over the following days set about dismissing workers as part of a speeded up de-manning process. They then set a rumour going about industrial sabotage and called in the local police to investigate.

To suggest that the site is becoming

a bit of a joke is an understatement, a reflection of the abysmally poor management. It reinforces the old adage. "We could run the show better than them"! Throughout, constant attempts have been made to goad the workforce into walking off the job so that the employers could say that the NAECI doesn't work, with a view to future projects being carried out under a less restrictive agreement. In the main, they have failed, while succeeding spectacularly in exposing their own shortcomings.

With the prospect that the EDF/Amec partnership is set to run the new Hinkley build, some serious consideration needs to be given as to the control of that job as it is reckoned that up to 12,000 men may be required to undertake the project.

Nationally, the engineering construction workforce is ageing; there is a pressing need to develop further the demand for more apprenticeships and to work with those employers who care about a future for Britain.

There is a crisis looming about our ability to produce enough power. Nuclear power generation must be embraced as an effective means of overcoming this. We need to develop and increase the skills we have if we are to meet the challenge of "keeping the lights on". To that end, the more forward-thinking employers are developing a new skills centre to produce the necessary workers for our future. Through our unions we need to be engaged in that and support it as an important contribution to the demand for a national plan for energy — to make it and grow it here.

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The trebling of student fees took place without any of the normal White Paper, no committee scrutiny. All it took was a tiny amend

Higher education – a minority government



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al trappings of parliamentary oversight: no Green Paper, no Iment to legislation introduced by Labour...

trying to exert its power and failing

Aim One of the government: avoid discussion of any sort

IN THE NATIONAL press the emphasis has been on what happened outside parliament on 9 December 2010. WORKERS readers may want to pause and reflect on what happened inside. The Browne Report, commissioned by the previous Labour government, was published on 12 October. None of the normal processes of the Mother of Parliaments has been undertaken in relation to that report. No Green Paper, White Paper, Bill, no legislation to scrutinise in committee – nothing.

The fig leaf of parliamentary democracy was unceremoniously cast aside as MPs were able to make the most drastic change to Higher Education by the simple device of an amendment to the 2004 regulation laid down by the Labour government when it introduced fees. Having scraped this through by 21 votes, the government rushed the item to the Lords on Tuesday 14 December the chamber where 50 new Lords have been appointed to do the coalition's bidding. The attempt to disguise this undemocratic attack by asking vice chancellors of universities to sign a letter of support to be published in newspapers on 8 December was utterly unsuccessful.

Aim Two of the government: focus public attention on tuition fees rather than the direct attack on institutions and communities

The other aim of the Coalition has been to turn the nation's attention to the question of fees rather than the fundamental basis of the attack, which is the cut in teaching grants to institutions – the removal of between 80 and 90 per cent of public funding, and 100 per cent in some cases. To reinforce that attack, the cut to the teaching

Continued on page 10



Pages 8 to 10: Demonstrators in London on Thursday 9 December.

The House of Commons Order Paper on 9 December 2010, item 3

That, for the purpose of section 24 of the Higher Education Act 2004, the higher amount should be increased to £9,000, and to £4,500 in the cases described in regulation 5 of the draft regulations in Command Paper Cm 7986, and that the increase should take effect from 1 September 2012.



Photos: Workers

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Continued from page 9

budget is with immediate effect for the academic year 11/12 whereas the fee rise is not available to the institutions until the following year, thus creating an immediate hole in the budgets of all institutions, a deliberate wrecking tactic to destabilise institutions and communities.

The University and College Union (UCU) has analysed the impact in its document Universities at Risk, available at http://www.ucu.org.uk/media/pdf/t/a/ucu_universitiesatrisk_dec10.pdf.

The document lists the 49 institutions at immediate risk and further details the impact of this on the local economies surrounding those institutions.

As with the attempt to use the vice chancellors to cover their actions, their attempt to disguise the attack on public funding has not been the success they hoped for, as it has sparked a wideranging debate amongst students about taxation and what it is used for. In particular, their awareness of who pays taxes and who avoids taxation has had a great educational leap forward. Some

students have now become subject specialists in tax avoidance and can give chapter and verse on the Vodafone tax avoidance scam of £6 billion.

This is no mean feat as it involves a very complicated story of sub companies and the exploitation of legal ambiguities between British and EU law. Students have also discovered that George Osborne lobbied for Vodafone and that Vodafone is now trying to avoid a £1.6 million tax bill that it owes to India.

Aim Three of the government: use student protest to ratchet up its attack on civil liberties

Although students have consistently outwitted police tactics, the government aim of increasing the attack on civil liberties has been successful.

In one short month from 10 November to 9 December, the police in London have moved from supposedly reviewing their strategy of kettling after the death of Ian Tomlinson in 2009 to discussion of water cannon and plastic bullets. In the same way that the most successful strike never needs a picket

line, students need to consider tactics which do not permit this policing practice and experimentation.

Aim Four of the government: distract other workers from acting in their own sectors to deal with the government

The pupil and student action will continue in 2011 in different ways. University lecturers will have to fight for their jobs and their institutions. The attack on education is not unique – the attacks on the NHS and public service broadcasting, to name but two examples, are just as fundamental.

Such was the concern of this weak government that it had to hold the line on 9 December that it discussed flying an MP all the way from Mexico and back again to go through the lobby.

The "Fib Dems" as the students call them are a spent force. If workers don't act in the face of this weakness and fight their own diverse battles, it is a case of condemning ourselves and acquiescing in the dictatorship of a minority government.

JANUARY 2011 **WORKERS 11**

With the EU in control, things can only get worse. Ireland's great need is to revisit the principles of 1916: unfettered control of the country's destiny in the hands of its people...

Ireland's boom and bust

OVER THE PAST 20 years, the Irish economy was often hailed as the most dynamic in Europe. Buoyed by membership of the European Union and fuelled by cheap credit and a cheap currency the socalled growth of what became known as the Celtic Tiger was destined to go on and on. Between 1993 and 1998, Ireland's Gross Domestic Product (GDP) increased by 45 per cent, with annual rates of growth approaching 10 per cent and unemployment falling from 15 per cent to 6 per cent in the same period.

And this was only the beginning. Things got even better, at least on paper, when Ireland joined the euro in 1999. With a new currency being introduced, there was a rush to convert existing holdings of Irish pounds, before they had to be brought to the attention of the tax authorities, into property, creating the boom that lies at the heart of the current problem.

As the boom accelerated, the construction industry raced to build more and more houses without considering properly who was going to buy them and how they were going to pay for them. The number of these new homes peaked at 95,000 in 2006, double the number built in 1997, with the average house now costing 350 per cent more.

It had become a capitalist's field of dreams; the idea that the only basis needed for making money was money itself, a serpent eating its own tail. The spectacular price rises prompted an orgy of buying.

From 2004 to 2008 the banks simply threw money into building more and more houses that fewer and fewer people could afford to buy. Almost 50 billion euros were advanced in mortgages and even more money was directed towards property developers who were desperate to acquire land anywhere to fund housing estates further and further from any centre of population on the assumption that buyers could be conjured out of thin air.

It started, of course, in the real economy. Dell, the computer giant and one of the lodestars of Irish economic success, decided to move its Limerick production facility to Lodz in Poland where the workers The price of agricultural land soared as were cheaper and more compliant. What the European Union gives it soon takes away. This was quickly followed by the This article was contributed by a collapse of Waterford Wedgwood, which included one of Ireland's oldest



farmers sought to maximise profits by farming land rather than crops, with the price of an acre of unzoned land rising from 5000 to 35,000 euros in a seven-year period. And the madness was not restricted to Ireland. British banks played their usual role in facilitating Ireland's growing indebtedness; no doubt the reason for George Osborne's generous offer of assistance to the Irish economy now.

Of course, this situation could not last indefinitely. As Marx puts it, capitalism "sows the seeds of its own destruction", and the seeds had been carefully fed and watered. A crash was inevitable but for Irish workers the consequences when it finally arrived in 2008 have been particularly brutal.

What the EU gives...

manufacturing industries, and by the nationalisation of Anglo Irish, the bank that had been instrumental in fuelling the property boom. It had in the process metamorphosed from a tiny credit house into one of Europe's most profitable banks, on the basis of borrowed money. One of Ireland's largest banks, Allied Irish, has also been nationalised, and in a telling comparison, the Bank of Ireland has fallen behind the bookmaker Paddy Power in terms of share value.

With the Irish government going cap in hand to its political masters in the European Union, an 800-year fight for independence was gone in the blink of an eye. The loan of 85 billion euros was made at an interest rate of almost 7 per cent good business for some. It is hard to imagine how things could be much worse in Ireland.

Yet in defining the problem as one of mere liquidity rather than as something more fundamental - a general crisis in Irish capitalism itself – the government, with its infamous austerity budget, is now hopelessly adrift. Even on its own capitalist terms its position does not make any

comrade living in Ireland.

Continued on page 12

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o: William Murphy/Creative Commons

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sense. At the high interest rate that it has been forced to accept, the loan from the European Union and the International Monetary Fund will at best plug a temporary funding gap. It will not improve and quite possibly worsen Ireland's underlying financial situation.

The interest rate charged will almost certainly be higher than Ireland's nominal annual growth during the period of the loan. And that means that the real value of Ireland's debt will increase, forcing it to go back to the European Union for ever more funds. The Irish working class will be paying the price in terms of more cuts and more unemployment, already at frighteningly high levels.

This is already starting to happen. The latest budget, forced by the European Union as a condition of Ireland's loan, which was debated in the Dail on the 7 December, was the sixth budget adjustment since July 2008, each one with ever more dire consequences for Irish workers. Already a total of 21 billion euros has been taken out of the Irish economy with more to come. At the time of the previous budget, only 12 months ago, the

CRYSTAL TUPORT WORKE WILL NEVE

Demonstration in Dublin in 2009: the Irish trade unions are threatening further strikes and demo

Irish Minister of Finance, Brian Lenihan, declared that "the worst was over". If only it were so.

Another 6 billion euros is to be taken out of the Irish economy this year as part of a four-year austerity plan which is likely to plunge thousands more into poverty, with cuts to pensions, child benefit and jobseekers allowance, all to protect a banking system which caused the problems in the first place and has nothing to offer by way of a solution.

They call it 'internal depreciation' - wiping out tens of thousand



"DRASTIC CONDITIONS" will be attached to the EU-IMF (International Monetary Fund) bailout of Ireland, says the European Financial Stability Facility's Chairman Klaus Regling. The EU has ordered Ireland, like Greece, to implement two-thirds of the usual IMF package – spending cuts and higher taxes. But the euro bans the third part – currency depreciation. Instead, the EU orders "internal depreciation", that is, even more cuts to services, jobs and wages.

The Irish government has already made 15 billion euros (£13 billion) of cuts; now it is required to make another 15 billion euros of cuts (20 per cent cut) over four years: 7 billion euros in service cuts, 5 billion in tax rises and 3 billion in capital spending – 6 billion this year, and

9 billion in 2012/14. This will mean destroying 25,000 public service jobs. Of course, private investors in the Irish banks were not forced to share the pain.

EU and IMF officials saw the outline of this budget and have the authority to recommend changes to the four-year plan during negotiations. Under the bailout agreement, the Irish government will have to report weekly to the EU, the European Central Bank (ECB) and the IMF. So much for Ireland's sovereignty!

The Irish government, banks and companies owe foreign investors \$731 billion (540 billion euros). Banks in Britain hold most with \$149 billion,

Photo: O'Dea/Creative Commons

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It is madness to assume that any adjustments the Irish government makes will allow a simple return to pre-crisis days, as though this particular financial crisis were no more than an unwelcome disturbance to an otherwise stable

situation. The combination of rising market interest rates, rising money market rates, extreme fiscal austerity, a slowdown in the global economy, financial contagion to other parts of the eurozone and contagion to other parts of the financial markets,

including the market for corporate bonds, indicate that it is the capitalist system in Ireland itself which is in crisis and that no amount of tinkering or "bailouts" from the European Union will make the good times return.

In response to the proposed cuts Irish trade unions are threatening a fresh wave of national strikes to build on the demonstrations and strikes that have already been held. The defeat of the ruling Fianna Fail candidate at the recent Donegal by-election and the decision of the Green Party to force a general election in January, once the budget has been passed, show that there is widespread and growing opposition to the direction Ireland is headed.

But with the main opposition parties Fine Gael and Labour (and likely future government judging from opinion polls in Ireland) challenging only the speed and depths of the cuts and not the strategic aim of managing the deficit in the interests of the European Union, there is need for much more clarity. Ireland needs to quit the European Union as a matter of urgency and affirm in the words of the 1916 Declaration of Independence "the right of the people of Ireland to the ownership of Ireland, and to the unfettered control of Irish destinies".

ds of jobs in order to save Ireland's (and Europe's) banks

followed by Germany \$138 billion, the USA \$69 billion, Belgium \$54 billion and France \$50 billion. So a bailout of Ireland is a bailout of banks that have made risky investments in Ireland.

We need a different solution – Ireland's banks should default on their hundreds of billions of debt to foreign banks. Ireland's government should declare the debts odious, leave the euro and default on its debts. Don't bail out Ireland – free it!

British, German and French banks have 1.2 trillion euros' exposure to Spain, Italy, Greece, Ireland and Portugal. If these five countries left the euro and devalued by 30 per cent, the British, German and French banks would lose 362 billion euros, British banks alone 80 billion.

The decision on whether Britain should join the EU bailout is not for the government to take – the 60 billion euro European Financial Stability Mechanism is run by majority vote, so Britain cannot block it. The same will apply to any future bailouts for Portugal, Spain, Italy or Belgium.

Britain's share of the bailout package will be £7 billion. If the crisis spreads to Portugal and Spain, we could be liable for at least £20 billion - £773 for every

household — through commitments made to the EU-IMF bailout package and bilateral loans.

Economically, the euro is unsustainable. The Eurosystem of eurozone central banks that underpins the European Central Bank is leveraged 24 times. Eurozone banks have to pay back or re-borrow over 200 billion euros as the expiry of the ECB's final 12-month loan coincides with the repayment of 104 billion euros taken in a three-month operation in September. A fall in assets of only a few per cent would wipe out the ECB's reserves, which could lead to the ECB itself needing a bailout.

A new CD and a new play touring Britain in January and February of the finest basses of all time – the communist and fighter Paul

Songs of struggle: Paul Robeson remember

THE AMERICAN singer Paul Robeson's unique and beautiful bass voice is instantly recognisable. His version of OLD MAN RIVER is an integral part of our musical history. Now a re-enactment of episodes from Robeson's life is beginning an ambitious British tour, having become a hit at the 2010 Edinburgh Festival Fringe.

Less well-known is that he also performed for British trade unionists as at the May Day Rally in Glasgow's Queen's Park 50 years ago. This was part of a long association and affection for British workers

Audiences flocked to hear him in the knowledge that his US passport had been revoked following his and his wife Essie's "trial" by the House Un-American Activities Committee. She had been summoned before them in 1953 to explain her 1945 book AFRICAN JOURNEY and her comments like "the one hopeful light on the horizon...is the exciting and encouraging conditions in Soviet Russia...".

His passport application had been denied following his acceptance of the 1952 Stalin Peace Prize, and even by late 1953 his career and health were badly affected by the stress caused by attacks in the press and cancellation of engagements abroad — including invitations to sing at the Eisteddfod in Wales and to take the lead in OTHELLO on a British tour.

'Danger of disorder'

At home, a concert in Brooklyn was cancelled for fear of "the danger of disorder" and at another in Hartford he was surrounded by 250 police while performing, facing press shouts of "why are you hurting your cause by allying yourself with the communists?" However, dozens of trade unionists at outdoor concerts showed their support by guarding him from his enemies.

The same type of organising spirit saw him sing to 40,000 by standing just inside the Canadian border, in 1952. He was at the same time distressed by antagonism he felt coming from organisations like the National Association for the Advancement of Colored People (NAACP); for example its threats to its Oberlin branch if it did not cancel his 1953 concert. When he learned of this several years later he commented: "Yes, those were the people who did the final hatchet job on me." He later felt acutely the reluctance of the NAACP to share platforms with him.

But back in Britain, starting in 1954, a campaign grew over the next few years under the slogan "Let Robeson Sing". Promoted by British workers, the Welsh miners and their choirs spearheaded this, and the Scottish Trades Union Congress passed a resolution demanding the restoration of his passport. Even Labour leader Aneurin Bevan was forced to lend tacit support.

Passport restored

In his biography of Robeson, Martin Duberman assesses that this campaign exerted considerable pressure on the US government to the extent that by 1959, his passport restored, he was able to take up the invitation to perform OTHELLO at Stratford. Praised by London critic W. A. Darlington as being among best portrayals of the role he had ever seen, the production was by the up-and-coming director Tony Richardson, fresh from John Osborne's LOOK BACK IN ANGER.

After a rapturous reception in Moscow, he was back in Britain for a singing tour that included the Glasgow May Day, where he told the crowd "You will need all the strength you have got to see that you who create the wealth of the country have a chance to enjoy it!" Most memorable were the times he spent with the choirs of the Welsh mining communities, singing with them and even addressing their meetings in Welsh. Inspired by their spirit of struggle he made a feature film (which also aided the anti-fascist war effort) in 1939-1940 entitled THE PROUD VALLEY. "The artist must take sides - elect to side with either slavery or fascism" and that it is "back to fascism or on to socialism", he said. And when he performed songs extracted from musicals or the folk tradition, he often added his own words to inspire workers



Paul Robeson singing at the May Day rally in Gl

to struggle.

During the following decades Paul Robeson continued his performances, although singing less in the years leading to his death in 1976, but the vigour of his writing and speaking kept much of its power. Largely ignored in the USA till now, this inspirational character is again being remembered. The CD PAUL ROBESON: SONGS OF STRUGGLE has been issued on the Dorset based Regis label; and the actor Tayo Aluko has embarked on a Britainwide tour with a one-man play, CALL MR ROBESON – a portrayal of a life of struggle and the stresses that inevitably went with that

Accompanied by pianist Michael Conliffe, Aluko performs Robeson's most famous songs, and re-enacts episodes from his life including the courtroom dramas of the 1950s McCarthy interrogations. This show has been honed

recall the life of one Robeson...

ed



asgow's Queen's Park in 1960.

over several years, including performances in Glasgow in 2006. Now following its 5 star reviews from the 2010 Edinburgh Festival Fringe ("Tayo Aluko has written and performs an outstanding tribute and reaffirmation of Robeson's work and his place in human history": "this piece has it all. It really is a hidden gem which deserves to be hidden from history no more"), it is beginning an ambitious British tour.

The tour begins in London at Theatro Technis, Crowndale Road NW1 1TT from 4 to 23 January; then goes to Darlington Arts Centre (25 January), Bury (The Met, 26 January), Salford (The Lowry, 27 January), Derby (Guildhall Theatre, 28th), Goole (the Junction, 29 January), Peebles (Eastgate Arts Centre, 4 February) and Inverness at the Eden Court on 5 February. For more details see www. callmrrobeson.com

More from our series on aspects of Marxist thinking CONTRADICTION AND CHANGE

The question of change (and what determines it) is a fundamental part of philosophy. In spite of appearances, nothing can remain the same – all life is development, or motion, and all development involves a series of changes. When we consider things in their motion, change and interconnection, we are at once confronted with contradiction. Every phenomenon in nature contains contradictions, opposites which exist together in unity. Development comes about through the struggle and unity of these opposites. Contradiction is an internal process and the basis of all quantitative development.

For example, cause and effect make up a unity of opposites. Or, bourgeoisie and proletariat together make up capitalist society, also as a unity of opposites. The two opposite elements of a contradiction are both mutually exclusive and mutually dependent. Their unity and struggle is absolute, quantitative and ongoing.

All processes develop in stages. Development occurs from the division of a unity into mutually exclusive opposites and their reciprocal relation. The relationship between the two sides of a contradiction becomes more contradictory within each stage, forcing the emergence of a new quantitative stage. Quantitative, stepwise, change creates the conditions for qualitative changes to occur. For instance, heat applied to cold water in a kettle causes the water to change, becoming hotter and hotter – a quantitative change – until the water boils and turns into something new, steam – a qualitative change.

Antagonism replaces and destroys contradiction: it is the mode of destruction and transformation to a new quality. For instance, in Russia in 1917, the antagonism between classes boiled over into revolution in which the working class and peasantry took power, thus creating a new kind of society. So out of this process, a synthesis, a new quality, a new unity of opposites, is born. A new process emerges to replace the old. All qualitative changes occur as leaps. They can appear to come from nowhere, but in fact are a result of the old contradictions becoming impossible to reconcile.

In contrast, religion attributes the changes going on in the world to god, whilst metaphysics sees nature as an arbitrary collection of objects and events, independent of and isolated from one another. Metaphysics wrongly asserts the cause of change as being not inside things but outside them. Dialectics grasps that internal contradiction is in all things and is the basis of quantitative and qualitative development. To understand the development of a thing, we must study it internally and in its relations with other things.

Changes in society are due chiefly to the development of the internal contradictions in society, that is, the contradiction between the productive forces and the relations of production, the contradiction between classes. The development of contradictions pushes society forward.

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Back to Front - The centralising line

'It is difficult to see much other than the same one game in town played by politicians of all parties...' IT HAS BEEN estimated that over 100,000 jobs will be lost in local government if the government's cuts strategy is implemented. That figure is likely to double, treble or more. Behind the strategy of politicians – local and national – to take chainsaws to public services, a more sinister politic is being promoted by Cameron and his Big Society, marketed as "localism" and "devolution".

Models are being promoted around Britain: super-merged councils; total outsourced councils; mutualism; shared services; total place; total space; total budgets; the buzzwords change weekly. It's all about how much of the estimated £650 billion in local government can be outsourced, privatised and turned into profit for private companies.

From Barnet in North London to Selby in North Yorkshire the drive is to outsource everything and everybody. From Cumbria to Suffolk they create a "partnership" of all bodies providing public services from police to universities, from social services to education, from employment/ unemployment to libraries, from health to waste disposal, pool the money and outsource. In the 32 boroughs of London, both Labour and Tory councils look to merge services and managerial structures. Will the 32 boroughs become 5, 6 or 7 super boroughs? Despite union efforts to establish clear red water between the councils of differing alleged political hue, it is difficult to see much other than the same one game in town played by politicians of all parties.

Under both Labour and Tories the merger of councils occurred and is occurring, accompanied by a systematic reduction in the number of councillors – by over 4,000 under Labour. Ken Livingstone, along with coalition Communities Secretary Eric Pickles and

London Mayor Boris Johnson – all back the same process. The strategy that runs through what appears as a contradictory position is that localism and devolution centralise the core interests of the state in Westminster as any semblance of accountability fades.

Simultaneously it promotes localism – do what you want in your backyard so long as it is not a threat to privatised government and the centralised power, the core interests. That threat to Westminster diminishes further if the resulting fragmentation, parochialism and inward-looking myopia blinds the working class to a national perspective. All socially progressive models of collectivity developed over the past 150 years – civil society, housing, education, public health, local services, transport, etc – are removed from the control of local interests and put in the hands of a tiny number of multinationals.

What is paraded as localism, engagement, improved service delivery, social cohesion and community actually becomes powerlessness as the ability to plan on a city or regional scale is removed. It becomes a process of disengagement, disaffiliation, ghettoisation and ever growing failure in the most elementary democratic processes, increasing as real power is concentrated in the capitalist state and unfettered big business.

Cameron talks of changing British society forever. If successful, this planned destruction of the quality of life in local communities, of control of planning and improvement within the social democratic concept of capitalism, will turn back the clock hundreds of years. As with the resistance of students and academics in recent weeks he has to be made to founder and be driven from office by the resistance of millions of workers.

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