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BUILD THE RESISTANCE



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WORKERS

“ More wars, says Brussels

IT ALMOST seems as if every failed leader in the world wants a piece of the war in Libya. Obama, Cameron, Sarkozy...and now the European Union is using it to brush up its plans for intervention – as if being the world capital of banking debt were not enough.

On 6 April, Zsolt Nemeth, speaking in the name of EU Foreign Minister Catherine Ashton, warned of more military interventions to come. He said, “Over the past three weeks both the European and the international community have shaped a very clear philosophy under the motto of ‘the responsibility to protect’ ... and that should be a warning sign to Yemen, Bahrain and indeed to all of those countries which maintain authoritarian regimes.”

Whereas this is Britain’s 46th post-1945 military intervention in the Middle East, the European Union has a fair bit of catching up to do. But it has in Ashton an ideal puppet, completely wooden and completely controlled by others.

The notion of an EU Foreign Minister would be laughable if it weren’t so dangerous. Ashton is said to have offered “two battle groups” to “support aid”, provided the UN gives the go-ahead.

The intentions of the EU are aggressive.

This organisation, born in the guise of an economic alliance of European nations, is now strutting its stuff as a military power to rival the US on the world stage. Except that it obeys the commands of the US. And that the EU member states can’t agree among themselves.

So instead we have Sarkozy and Cameron posing with Obama as standing up for “the Libyan people” while bombing them, and not mentioning their oil.

By its charter the UN Security Council is allowed to intervene only if there is “a threat to international peace and security”. The Libyan government has not attacked another nation, so it poses no such threat. Russia, China, India and the 53 countries of the African Union are calling for an immediate ceasefire and oppose any military intervention.

How is the intervention to be managed? NATO is proving to be a troublesome beast, with members such as Turkey not as gung-ho as others would like. So don’t be surprised if the European Union uses the Libyan crisis to dust off its idea of a European Defence Force, an EU army ready to intervene anywhere – and particularly inside the EU – where the interests of Brussels are threatened. ■



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Cover photo: part of the huge crowd on the Embankment waiting to move off on 26 March. See “Build the resistance”, back page.

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Ambulance cuts warning

THE COALITION Government's promises regarding the National Health Service are unravelling daily. The promise that Health Service funding will be ring fenced is now seen for what it is – a lie.

The promise that front line jobs will be safe is also seen for what it is – a lie.

There is nowhere more front line in health care than the Ambulance Service, and the London Ambulance Service (LAS), the largest in the world, the busiest in Britain, has now found out the worth of those promises in a dramatic way.



In the next five years £53 million is to be taken out of a budget of £262 million.

- In the next year this means 162 jobs to go, 130 of which are what Cameron would call "front line".
- Over the next five years a massive 890 jobs will be lost, 560 of which will be road crews, as front line as they come.
- So between now and 2015 the LAS will lose nearly one-in-five of the staff who care directly for Londoners.

Unison, the union for ambulance staff, is warning Londoners about this appalling situation. The union within the LAS will be calling for these severe cuts in posts to be reviewed. A ballot for industrial action may also be on the way to stop a successful public service being hacked to pieces.

Pressure from health workers has already produced results – a delay to the legislative process that Unison's judicial review proceedings didn't manage to produce has come from a propaganda campaign led by Unison. Now ambulance workers are saying they need to keep the pressure on to extend the "pause" into the parliamentary recess – then anything's possible!

PFI

Profits, but hardly any tax

MILLIONS OF pounds in public money is being salted away in offshore tax havens by an investment company which has put money into Private Finance Initiative schemes. BBC investigators have found that Guernsey-based HICL made £38 million profit in six months of 2010 alone from PFI public building projects (including nine NHS schemes), yet paid just £100,000 in British tax.

Last year HICL bought a 89.9 per cent stake in Portsmouth's Queen Alexandra Hospital PFI. It is estimated that £50 million is likely to be paid out in dividends from QAH to the company over the next 30 years.

Nationally, banks which invested in PFI schemes have massive projected incomes for decades to come. They will receive many many times their original investments, guaranteed from the public purse, at a time when we are told we have to do without our public services to "pay back the debts". Future generations are saddled with these debts. Hospitals burdened with the debts are repaying them by cutting services to patients. QAH has cut 700 jobs in 18 months.

WAPPING

Anniversary exhibition

AN EXHIBITION marking the 25th anniversary of the Wapping dispute in 1986 is to be open at the Marx Memorial Library in London on 1 May. Organised by Unite, the National Union of Journalists, the Campaign for Press and Broadcasting Freedom and the Marx Memorial Library, it runs until 31 May. Admission free.

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

EUROBRIEFS

The latest from Brussels

Transferring wealth

ACCORDING TO Britain's Office for National Statistics, our net transfer of funds to the European Union rose from £5.3 billion in 2009 to £9.2 billion in 2010 – £230 for every household in the country. Britain's trade deficit with the EU rose from £14.3 billion in 2009 to £46.6 billion last year.

VAT threat

THE INSTITUTE of Directors has warned that EU proposals to harmonise VAT rules across Europe could mean the end of our VAT exemption on food, children's clothes, books and newspapers.

Rent-an-MEP

THREE MEPS have been caught agreeing to accept secret payments to change EU laws. Journalists, posing as public affairs executives, asked more than 60 MEPs if they would be interested in a paid role as an adviser. 14 MEPs, including two British MEPs, who remain unnamed, replied and met the reporters. Three MEPs from Austria, Romania and Slovenia agreed to table amendments at the European Parliament, believing they would be paid an £87,300 annual salary, a consultancy fee, or both.

Champagne Catherine

EUROPEAN UNION Foreign Minister Catherine Ashton wants PR consultants to help her promote herself in a 4-year, £8.6 million deal. Their remit includes being able to run "VIP receptions with champagne and top-of-the-range appetisers". One suspects that however much she spends, it won't be enough. She already has a spokesman, a deputy spokeswoman, a media adviser, two press offices and an in-house communications team of 12. Her External Action Service has an annual budget of 475 million euros, including a press and information budget of 15 million euros.

Unethical targets

THE NUFFIELD Council on Bioethics has branded the EU's biofuel targets as "unethical" because of the damage they cause to the environment and to people in countries where the biofuel crops are grown, and because they drive food prices up. Worldwide, growing biofuels diverts 15 per cent of world corn production to fuel cars (but not in Cuba or Venezuela, where sugarcane is used). ■



Irish workers also took to the streets on 26 March. Above, part of the crowd listening to speeches in Belfast.

Photo: Workers

Lincs revolt over academies

THE PARENTS' group Save Our Schools in Louth, Lincolnshire, has exposed just how far Michael Gove's new rules for academies and free schools are able to lead to wholesale removal of schools from the remit of local authorities.

Since 2002, Lincolnshire's school improvement services have been outsourced to CfBT Education Trust, a "not for profit" consultancy (formerly the Centre for British Teachers). The county's head of school improvement, Andy Breckon, is also the director of CfBT in Lincolnshire. Earlier this year, Breckon sent a letter to all primary heads and chairs of governors (leaked to the parents), setting out proposals for their schools to leave the local authority and become academies run by CfBT Schools' Trust.

The letter explained that schools would pay a membership fee to CfBT, but would be better off financially than if they stay with the local authority. It also claimed that senior county councillors were supporting the proposal. Parents were not informed or consulted. Louth Save Our Schools understands that the proposal has not been approved in a council meeting either. There has been no public discussion. Although governors have to consult on plans to become academies, Gove allows them to wait until after the application and approval process has been completed!

Local primary heads and governors appear to be afraid that CfBT is implying that they will be unlikely to continue if they do not comply with the proposal. NUT rep Sally Lockren said "it looks like we are looking at the end of state education in Lincolnshire".

Until 2010 a proposal such as this coming from an outsourced company with a contract to run local authority services would have been deemed a conflict of interest. Not so now. The 2010 Academies Act enabled schools themselves to choose to become academies – the local authority has no say.

Organisations like CfBT grew massively under the last government. CfBT had an income in 2009-10 of £151 million. It employs 2,400 people worldwide. It runs seven private schools and academies in Oxford and London. It runs school improvement services for Lambeth, Ofsted inspections, school support in Abu Dhabi, Singapore and Brunei, and teacher training in India. ■

AUDITORS

Flawed...and rich

LAST JANUARY the House of Lords Select Committee on Economic Affairs concluded that the International Financial Reporting Standards (IFRS), used by British accountancy firms, as dictated by EU edict, was fundamentally flawed.

In April it concluded that auditors are as bad as the accountants and their flawed rules. Their report, "Auditors: Market concentration and their role", said that 99

out of 100 FTSE top companies were audited by the big four – KPMG, Ernst & Young, PriceWaterhouseCoopers, Deloitte – and all are slated for "missing" the financial crisis which engulfed capitalism.

The Lords are now calling for an investigation into the big four for monopoly and uncompetitive practices. PriceWaterhouseCoopers audited Northern Rock and Royal Bank of Scotland and found no error or concerns prior to their collapse – a mere £7 million fee! The big four companies made between them in 2009 nearly £8 billion in profit. ■

JOURNALISTS**Fighting for quality**

MEMBERS OF the National Union of Journalists (NUJ) at North London and Herts Newspaper Group went on strike on 19 April in the fight for quality journalism and against job loss. Just three journalists are producing nine local newspapers. The strike was due to end on 3 May.

The action came just ten days after the NUJ's Delegate Meeting in Southport, where delegates voted unanimously to support chapels (office branches) resisting job cuts and other attacks.

"Our members are to be congratulated for fighting for quality local journalism and for their tenacity. Do all you can to support the strikes that are coming," said general secretary-elect Michelle

Stanistreet.

Journalists at Newsquest titles in South London began a work to rule on 15 April. The 27 NUJ members want cut editorial space restored. Meanwhile, 80 journalists in the north of England are balloting on industrial action to stop plans by Newsquest to axe jobs in Darlington and York. Members at Darlington, Durham, Northallerton, Bishop Auckland and York are taking part in the ballot. ■

TRADE**Deficit record**

BRITAIN'S DEFICIT on trade in goods rose to a record £98 billion in 2010. Spending on new equipment and machinery fell by 1.8 per cent in the last quarter of 2010. ■

The zone of debt and failure

ON 1 APRIL, the Irish government announced that another £21 billion would go on bailing out Ireland's bankers, bringing the total to £61 billion, equivalent to 45 per cent of the country's GDP. And the debt is still too great.

Things are as bad in Portugal. Since May last year, the European Central Bank (ECB) has bought possibly 20 billion euros of government debt from Portugal. With European taxpayers bailing out the country via its banking sector, Portugal's banks are using money they do not have in order to lend to the Portuguese government, knowing that the ECB will provide credit. This use of overvalued low-quality collateral to gain huge loans was one of reasons for the whole subprime crisis. Portugal is supposed to raise 39.4 billion euros this year – 25 per cent of its national wealth.

A bail-out could end up costing 80 billion euros, with Britain liable for 4.3 billion euros. For the Portuguese people, it will mean wage cuts, spending cuts, attacks on unions and privatisations. But cutting the incomes of the people who service the debt, without cutting the bondholders' incomes, won't reduce the debt.

Bail-outs are short-term loans. They land over-indebted nations with more highly-priced debt that they can't afford. Eurozone members will still be stuck with an overvalued currency. Meanwhile, the money loaned pours straight into bankers' pockets.

The bond market used by countries to raise money punishes those that cut rapidly, like Ireland, Portugal and Spain, killing their economic growth. Countries that tried to pay off their debts immediately with huge cuts have suffered most: all the countries that have implemented fiscal austerity policies saw their GDP fall in the fourth quarter of 2010: Greece (-1.4 per cent), Iceland (-1.5 per cent), Ireland (-1.6 per cent), Portugal (-0.3 per cent) and Britain (-0.5 per cent). Countries like South Korea, which have had the biggest stimulus packages, paid for with higher debt, have recovered fastest.

Now the ECB has raised the cost of borrowing, even though in Portugal bank loans are already falling: that reduces domestic demand, employment and investment, further harming the economy.

The International Monetary Fund's Global Financial Stability report says European banks are still "vulnerable to shocks". Further, it says Irish and German banks face the most "acute" need to reschedule debt repayments: as much as half of all their outstanding debt is due in the next two years. German banks hold 225 billion euros in non-performing loans (loans which are unlikely to be repaid), while British banks hold 175 billion euros. Irish and Spanish banks hold 110 billion euros and 100 billion euros, respectively.

The eurozone's taxpayers (or institutions backed by them) have already loaned about 208 billion euros to Irish banks alone. This is mostly down to the continuing exposure to the bust real estate market: 5.7 per cent of all homeowners are at least three months behind with their mortgages, representing possible losses of 8.6 billion euros to Irish banks. Anglo Irish Bank has announced losses of 17.7 billion euros, despite receiving 30 billion euros from the Irish government. ■

WHAT'S ON**Coming soon****May**

Sunday 1 May, London and Edinburgh;
Saturday 7 May, Leeds

"Plan for Britain: Make it and grow it here"

May Day meetings organised by the CPBML.

For more information, see page 8

June

Saturday 11 June, 10.30am to 3.30pm

"Conference against academy schools: the fight for quality state education"

Congress House, Great Russell Street, London WC1B 3LS. Organised by the Anti Academies Alliance and SERTUC.

For more information, see antiacademiesalliance.org.uk

Thursday 23 June, 7.30pm. Conway Hall, Red Lion Square, London WC1R 4RL.

"EU and NATO: War at home, war abroad"

Public meeting organised by the CPBML-L. All welcome.

LONDON**Britain's child poverty capital**

IN THE SAME week as Comic Relief realised more than £75 million for charity, the End Child Poverty Campaign showed that pious claims by successive governments to be working to end child poverty in Britain by 2020 are no nearer fulfilment – and are really idle promises.

The slightly meaningless Tube adverts which boast "London – World Capital" have an unintended element of reality. In eight London boroughs poverty among children is as prevalent today as it was in Dickens's time.

Tower Hamlets is the borough with the unwanted infamy of heading the list: 57 per cent of children there live in poverty. And in seven more boroughs, over a third of children are living in families below the poverty line. That's also the case for children in Manchester and Nottingham.

The Institute of Fiscal Studies has warned that if Chancellor Osborne pursues his planned cutbacks, then the plight of children below the breadline will be exacerbated. The IoFS has forecast that the budget and benefit changes will inevitably mean that child poverty will begin to rise from 2013. ■

The TUC demonstration on 26 March exceeded expectations, with a large number of union banners not seen in London for many years. Photographs

A day to build on: half a million workers on



Hyde Park: a message from history.



Marchers stream over Blackfriars Bridge in a bid to join the demonstration.



Indeed!



Part of the big contingent of firefighters marching under the banner.

Photos: Workers

th hundreds of thousands of workers marching behind an array
 hers from WORKERS were there to capture the spirit of the day...

n the march in London



onstration on the Embankment.



ers of the Fire Brigades Union.



There are many tales of the demonstration. Here is just one – from the Isle of Wight.

AT 7AM, five coaches left the Isle of Wight, bound for the anti-cuts demonstration in London, paid for by the unions Unison, Unite and PCS. The coaches were full of the island's trade unionists, community groups and concerned islanders.

The coaches arrived at the London Eye at about 11.30am. As we were on the opposite side of the River Thames to the where the demonstration was being held, we had to walk to Waterloo Bridge to cross over the river.

It was just as well we assembled our banners at the side of the coaches, as it would have been impossible on the Embankment, due to the huge crowds.

It took us the best part of an hour to

walk over Waterloo Bridge as the thousands of protesters funnelled into the main body of the demonstration. It took the others, with the Isle of Wight Trades Union Council banner about five hours to reach Piccadilly. We then had to make our way back to the coach, as it was leaving London at 5.15 pm. So we never quite made Hyde Park, to listen to the speeches by the trade union leaders.

Not until we were walking back to the coach did we hear about what the scum had done to the shops. They hijacked the demonstration and tried to discredit the trade union movement.

The demonstration was extremely peaceful and good-humoured, with plenty of playful banter. The various types of bands, from samba bands to jazz, and even a tank playing martial music, kept us entertained all the way. ■

MAY DAY MEETINGS



Sunday 1 May, 2 pm

Speakers and refreshments

**Conway Hall, Red Lion Square, London WC1R 4RL
(nearest tube: Holborn)**

Sunday 1 May, 7.30 pm

Speakers, music and discussion

Word-Power Books, 43 West Nicolson St, Edinburgh EH8 9DB

Saturday 7 May, 12.00 pm

Speakers and discussion

Fox and Newt pub, 9 Burley Street, Leeds LS3 1LD

PLAN FOR BRITAIN: MAKE IT AND GROW IT HERE

Every economically successful nation has a national plan. Britain is one of the few not to have one. Capitalism cannot plan for our country's future because it sees nothing but grabbing profits whenever and wherever it can. The god of the free market renders economic planning impossible. Financial capital does not create wealth. It is the working class which will need to take responsibility and plan for Britain.

There is a wanton savagery about the government's attacks. It is moving with unparalleled haste to undo much of the progress that the British people have managed to win over decades, and to dismantle the real national economy, our industry and agriculture.

The challenge now for all thinking workers is to understand what is going on. What can be done?

The first step must be the understanding and acceptance of the fact that the speed of proposed change would be impossible had the Labour government not laid the basis for it so impeccably. In health and education, for instance, the legislation and thinking were put in place by Labour. Now the ConDems can pick them up and run away with them. Labour's adoration of City speculators and contempt for production allowed a free-for-all buying and selling of British industry and land for massive profits, assets sold abroad, farmers squeezed to bankruptcy by the big supermarkets – with no attempt to protect the interests of the people.

In its decline, capitalism has turned its back on Britain.

Finance capital is in charge in Britain, but it recognises no nation. It is happy to invest in commodities one day, move the money to bonds the next, from country to country, from industry to industry.

What sort of Britain do we want? What do we need to do to get it? First, a commitment to manufacture – making the things we need, and ensuring we have the skills and knowhow to service our own industries. And we need a plan for agriculture, deciding what we can grow and produce here to feed our people. An independent British industry and agriculture will create real wealth, the basis for a sound economy in which we can export to other countries and import those goods and food which cannot be produced here.

Ours is the authentic voice of a Britain that wants to live in a civilised society and plan how it will work, and is prepared to fight for its country. We have nowhere else to go.

We invite you to attend our forthcoming May Day meetings – London, Edinburgh and Leeds – for one unified national working class.

**Celebrate May Day with the Communist Party
All welcome**

Nurses from the European Union are being allowed to register in Britain without meeting the same high requirements that apply to British nurses...

EU directive undermines nursing

THE NURSING profession in Britain is under attack from a number of directions. The EU and the British government are developing a vision for nursing which entails fewer registered nurses supervising a growing number of unregistered staff. Also the EU is trying to grab control over the qualification for registered nurses itself.

On the surface all seemed to have been going well. In Wales and Scotland entry to the nursing profession has been at degree level for some years. Now, starting in September 2011, the entire nursing registration programme in England will go to degree only and the diploma programmes will be phased out. However these educational changes are being introduced at a time of attack on the NHS and the numbers of staff available to supervise the new students is reducing. And now, as a result of an EU directive, it looks as if the staff on the Nursing and Midwifery register for the UK may not have the new improved qualification at all.

The EU attack

For three decades EU legislation on mutual recognition of qualifications for regulated professionals has allowed EU nursing qualifications to be recognised in Britain. But the Nursing and Midwifery Council (NMC) as the regulator could set its own regulations and this meant that nurses who had an inferior qualification to the British standard could not join the register without further training. This included many nurses from Eastern Europe who did not have "equivalence" to the British qualifications.

But last year a new EU directive was passed which overrules the regulator and relaxes the regulations, so that now nurses who do not meet the same requirements as British nurses are joining the register. The number of EU nurses joining the register has shown a sharp rise since the rules were relaxed.

In addition to the substandard qualification issue, this same EU legislation prevents the NMC from testing the language ability of applicants. In contrast the NMC has the power to make nurses from outside the EU, including Australia (!), take a language test prior to registration in



Photo: Workers

Nurses demonstrating on 26 March.

Britain. The NMC is not happy about this limitation on its powers and has taken the lead in submitting evidence to the EU on behalf of 26 different regulators across Europe asking that they be allowed to conduct language tests, as failure to do so "puts patients at risk".

At the moment the EU is maintaining its position that language testing is the responsibility of the individual employer. Health unions and patient organisations have also objected. But the Royal College of Nursing's position is confused: it suggests the NMC should have the right to test individual EU nurses if it has a concern and is not advocating a test for all EU applicants. It is not clear how the individual approach advocated could be compatible with RCN policy on equal opportunity, which it advocates in all other matters.

The position of Patients Association Chief Executive Katherine Murphy seems a lot clearer. "How can we allow Europe to direct something as important as the delivery of safe care?" she asked.

The government attack

If the government could see a ready-made source of cheap nursing labour – and does not care about the standard of their qualification or their ability to speak English – then it would soon be proposing a reduction in the number of nursing

places at university. This is exactly what has happened: certain areas of the country have already been described as "overprovided", such as Scotland.

The nursing programme at the University of Glasgow – one of the best evaluated in the country and with one of the lowest attrition rates – is facing closure, which staff and students are opposing. In England reductions in nursing student places have been put forward for the next three years. By September 2013 there will be a third fewer nursing students starting their programme than in September 2010, despite a significant bulge in predicted retirements from the profession.

The government plans not only to replace registered British nurses with EU labour, some of whom will have inferior qualifications, but also to reduce the number of registered nurses altogether and replace them with healthcare assistants.

Of course assistants are not a new phenomenon, and most do an excellent job, but none is registered and so risks to patients remain. Healthcare assistants and their unions all want to see this role regulated to protect the public.

Legally, any assistant can only undertake nursing work that is delegated to them and is supervised by a registered professional. Any plan to radically reduce registered nurses means less supervision. A recent horrendous experiment at the Mid Staffordshire hospital with this type of "skill dilution" led to a significant number of patient deaths (soon to be explored further by a full public inquiry).

A way forward

As the Patients Association has indicated, the safest way is for individual countries to educate and employ their own nurses. But in the short term nurses and patients must demand loudly that no EU nurse can join the NMC register without a language test. Secondly, the regulator must be allowed to set the standard for joining that register and not be overruled by an EU directive. Thirdly, being legally accountable for the care delivered, the registered nurse must continue to determine how much of the care can safely be delivered by an assistant. ■

The odds against moving into affordable housing have never been ignored by those who see housing as a source of profit not as a

Thirty years of attacks on social housing –



Photo: Workers

Market Square, Poplar, east London: less than half a mile from Canary Wharf – and so a typical target for social cleansing, the driving out of working-class families from areas convenient for the rich to live.

AGAINST THE BACKDROP of a massive housing crisis, the coalition's decision to cut the social housing budget by more than half is the clearest indication that behind a smokescreen of reform they are determined to continue the destructive policy unleashed by Thatcher more than 30 years ago. That policy has been doggedly pursued by every government since.

Chancellor Osborne's March budget, in which he blathered about "...unblocking the planning system", has ensured that the gap between the number of households and the number of available homes will widen over the next five years. By 2016 it is estimated that 1.3 million new households will be formed, but that the

number of new homes being built will be some 700,000, barely half of what will be required. Uncontrolled mass immigration from the European Union contributes to the gap.

Driving up rents

Further, housing minister Grant Shapps' proposal that social housing landlords increase their income by charging up to 80 per cent of market rates is set to drive up average weekly rents from £85 to £250. At the same time, the largest house builders are now concentrating on wealthier customers, typically those moving into second or third homes.

The odds against moving into

affordable housing have never been so highly stacked, particularly for the young. The combination of slack construction activity (102,570 homes built in 2010, the lowest level of completions since 1923) and ever harsher mortgage terms (the average deposit for first time buyers has risen from 10 per cent to 25 per cent of property value in the past three years) puts home ownership beyond the means of an increasing proportion of the population. Rents have rocketed in densely populated areas.

And Osborne's "reform" of the social housing budget means a further 500,000 people on the waiting list for affordable housing which already stands at

en so highly stacked, particularly for the young. But that's basic human need...

no wonder there's a crisis

4.5 million.

A 2008 report by the homeless charity Shelter found that more than 2 million people find their rent or mortgage a constant struggle, or are falling behind with payments and having their homes repossessed (48,000 in 2009). The situation is probably much worse now, and due to worsen further.

Benefit cap

The changes in legislation, and particularly the cap on housing benefit will have its most severe impact on the large urban areas, none more so than in London. Since 2000, average rents in the capital have increased by 65 per cent, while the Consumer Prices Index has increased by just 17 per cent.

There will, in addition, be a 10 per cent cut in housing benefit for those unemployed for more than a year. (This latter cut described by no less a body than the Institute for Fiscal Studies as "...a blunt and punitive instrument to encourage people to find work.")

Within London, several of the inner boroughs have no private rents below the cap. The inescapable consequence is an exodus of people to the outer boroughs. In fact, it has already started – and outer boroughs such as Waltham Forest are anticipating it by moving their own tenants

out to create room for those to come.

The head of housing at one such borough, Havering, sees the writing on the wall. "The implication for a borough like Havering is we will have a flood of people moving in because of the lower costs. It will lead to a ghettoisation of benefit claimants." Not to mention the extra strain on education, health and other public services. It amounts to social cleansing.

Shelter puts it in a nutshell, recognising that the "...critical shortage of affordable housing means more and more people are being housed in the private sector, where rents are almost double those in social housing."

These punitive measures are often portrayed as the government getting tough with feckless wastrels. In fact only 22 per cent of households receiving housing benefit are unemployed – the problem is low wages and high rents.

The way housing benefit works can indeed be a barrier to moving back into work, but these moves actually increase disincentives and make matters worse. Furthermore, they represent a false economy as the costs of dealing with homelessness and other social problems rise.

It is clear that the system of housing benefit has effectively meant that taxpayers are subsidising buy-to-let

landlords, but the solution is regulation of the rented housing sector – effectively a return to the old rent tribunals which fixed "fair rents", set up in an attempt to deal with slum landlords.

In London, as in the rest of Britain, there is a requirement for a dramatic increase in the supply of all types of housing, particularly social housing, and an end to mass immigration, particularly the uncontrolled numbers arriving from the European Union.

Meanwhile, the largely unregulated private sector thrives on overcrowded, cold, damp and insecure provision. Thanks to this "market is king" approach, 1.4 million children live in bad housing. In 2007, 7.4 million homes failed to meet the Decent Homes Threshold, the government's own indicator.

Sleeping rough

At the sharp end, 50,000 households are living in temporary accommodation arranged by local authorities, and homelessness sees many hundreds sleeping rough in towns and cities throughout Britain, often in the shadow of empty apartment buildings owned by speculators who prospered in the pell-mell "buy to let" rush.

This housing failure is also revealed in the construction industry. In 2009 there were 163,000 redundancies in the construction sector and nearly 3,000 firms entered administration. As public spending cuts bite, it is anticipated that as many as half a million workers could be laid off.

But calls to build more and more housing are not the answer – there is no more space in our cities. Instead, free up the many buildings left empty by speculators waiting for prices to rise.

A society that cannot house all its people adequately is not a "big" society, it is a broken society. Living in a secure and decent home is a basic human need. Poor housing equates to ill health, low achievement and unemployment – a Victorian slum prospect for 21st-century Britain. This will be the legacy from Cameron, Clegg, Pickles and the rest of the coalition of the unelectable if we allow them to get away with it. ■

Social housing – and the attacks on it

THE HISTORY of mass social housing begins with William Beveridge's Social Insurance and Allied Services report in 1942, ushering in the Welfare State.

In 1945, when the national debt (expressed as a proportion of GDP) was more than three times today's figure, the government adopted a huge council house building programme, part of the rebuilding of Britain after the war.

The 1960s saw slum clearances throughout the country and the rise of the tower block, complete with its own set of problems. At this time a quarter of the population were council tenants, up

from 10 per cent in 1938.

In 1979 the election of Thatcher heralded a reversal of policy. Councils effectively lost their direct labour force and housebuilding was increasingly contracted from the private sector.

The Housing Act of 1980 brought in the right to buy, and one million council houses were sold within ten years. At the same time the Parker Morris standard, which specified minimum provision in terms of space, sanitation and heating, was abolished.

Subsequent governments have maintained this assault on housing. ■

Two decades after the crisis that followed the collapse of Cuba's still in control on the Caribbean island...

Cuba – the ‘dictatorship of the proletariat’



Photo: Workers

Real solidarity: the 300-strong Henry Reeves Brigade in Havana about to go to Haiti to tackle the cholera outbreak at the start of the year.

IF YOU WERE to take any notice of some of the British press recently, you would think that Cuba was about to re-establish capitalism, or at best that Cuba was outdoing Britain in its desire to sack public sector workers. Nothing could be further from the truth. Described as taking the revolution to the next stage after two decades of the “Special Period”, it looks like a direct application of power and control by Cuban workers.

When the Soviet Union and Eastern Europe collapsed around 1990/91, Cuba lost 80 per cent of its trade and suffered a fall of more than 40 per cent in its GDP. Its economy was dependent on growing sugar, bought each year in total by the USSR, after the imposition of the US blockade. Food and manufactured goods, and in particular oil, came mainly from the USSR and Eastern Europe.

After the collapse, all this ceased and the USA tightened its blockade of Cuba

with the intention that Cuba also would collapse. The Cuban government declared a “Special Period not in time of war”.

Cuba suffered power cuts and hunger, with shortages of everything. The economy was similar to that in wartime Britain with a black market, spivs and everything else. It was difficult to get to work because of the absence of fuel and no spare parts or tyres for buses. Often there was no work to do because of shortages of raw materials and items such as paper, pens and other essential goods.

Blockade

The country used all its ingenuity to survive these hardships, but the USA tightened the blockade with the Helms Burton Act of 1996 and then the establishment of the Commission for Assistance to a Free Cuba (CAFC) with a budget of tens of millions of dollars to bribe Cubans to act as agents of the US in

their attempts to overthrow the regime and appoint a US governor for the island and effectively annex Cuba to the US. Those Cubans arrested in 2003 and now being released were all on the payroll of CAFC.

Cuba managed its economy as best it could, developed trade links with countries around the world, especially with Latin America and the ALBA countries, as well as China, Russia, Africa, and Asia. It continued with its internationalist work and prepared to come out of the Special Period. By 2005, Cuba's economy had recovered its pre-crisis GDP. Tourism, biotechnology, scientific and medical services sectors had all contributed to this.

With very little access to international finance markets because of the blockade – and notwithstanding deals with Venezuela, China and Brazil – the saving of material resources and a more productive use of the workforce are seen as crucial sources

s main trading partner, the Soviet Union, the working class is

means democracy for the workers

of investment. Human capital (in the sense of organisation), educational and technical capacities played vital roles.

The sugar industry declined with retraining and redeployment of workers. Also, because of the right to free education, in particular higher education, guaranteed by the constitution, it has not been easy to develop crucial sectors of the economy, namely construction and agriculture. This is because Cuban youth has often preferred to seek professional qualifications rather than become bricklayers or farmhands. All the reforms enacted during the Special Period were discussed in specially convened “workers’ parliaments” attended by over 3 million workers or 85 per cent of the workforce.

Changes at work

So, to exit the Special Period would require some changes in the world of work. Over the last decade, Cuba embarked on the development of a new Labour Code and a debate on the nature of the future workforce.

By 2006, the 19th Congress of the Cuban TUC noted the problems: the fall of the USSR, the intensified blockade, the global economic crisis and “our own deficiencies that comrade Fidel has repeatedly signalled”. It also pointed to the moral and ideological impact of the Special Period. But the most important job had been done: “Nevertheless, the principal conquests of the Revolution have been preserved, first of all the political power of the workers,” it said.

The task now was to move from crisis management to restoring normal working practices, including full use of the working day. It means modernising human resource management under Cuban standards, professionalising administration and re-codifying workers’ legal rights and responsibilities in the changed world of work. It also means addressing the salary system and distribution of incomes.

Cuba’s constitution guarantees the right to work, equal pay for equal work, health and safety protection at work, an eight-hour day, paid annual leave and social security. The law guarantees local

collective bargaining with unions and workers.

A process of consultation, similar to the earlier workers’ parliaments in which workers and unions have a complete veto, has been under way for some years. All of the proposals are discussed by “assembleas”, or workplace meetings. 1.5 million proposals from job descriptions and redeployment, to health and safety, productivity, incentives and salaries have already been discussed and voted upon at more than 20,000 assembleas.

What the British press describe as “massive public sector layoffs” are nothing of the kind. They are the result of this enormous consultation process controlled by workers. The press would not dare tell us this as it is far removed from our regressive anti-trade union laws. Those moving out of the direct state sector are from the overmanned sections and those services that should not be maintained by the state such as hairdressers. All will be offered full pay and training, either in higher education, skills training or in new areas of work.

These new areas include developing

the agricultural cooperative model into small-scale manufacturing and repair workshops. Others will receive training to become self-employed. New areas of work have arisen from the economic integration with Venezuela, Bolivia and the other countries in ALBA (the Bolivarian Alliance for the Peoples of Our America). This requires novel relations with private capital in those countries as joint companies are developed on the island. But Cuban workers will develop the regulations governing these ventures, insisting that the state will be the central feature and not market forces.

So, at all stages workers are in control. Unions can even initiate legislation; senior trade unionists sit in the National Assembly and participate in ministerial decision-making. Legislative proposals affecting workers are always referred to the unions for their agreement or criticism.

The dictatorship of the proletariat is a phrase used to describe a state totally controlled by workers in their own interest. If you ever wondered what it might look like, just have a look at Cuba, and particularly this process. ■

Meet the Party

The Communist Party of Britain’s new series of public meetings in London began in the autumn and continues into spring 2011. Except on May Day, all meetings are held in the Bertrand Russell room, Conway Hall, Red Lion Square, Holborn, London WC1R 4RL, nearest Tube Holborn.

M The next meeting date will be Thursday 23 June 2011, 7.30pm. The subject is “EU and NATO: War at home, war abroad”. Interspersed with these public meetings, the Party runs regular political study and discussion groups for interested workers.

M The Party’s annual London May Day rally will be held on Sunday 1 May 2011, in Conway Hall, Holborn. There will also be May Day meetings in Edinburgh (Sunday 1 May) and Leeds (Saturday 7 May). For full details see page 8.

M 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 020 8801 9543 or e-mail to info@workers.org.uk



The devastation of the rail network that began in the 1960s was a conscious decision to move away from a state-owned industry. And led by a transport minister whose family ran a road-construction

The profit-lined road to motorway madness



The first British motorway was built in 1959: it heralded the era of rail closures.

IN THE 1950s and 1960s, politicians of both major parties scuppered a historic opportunity to develop an integrated transport system coordinating roads and railways, opting instead to embark on a massive development of motorways and trunk roads while decimating the comprehensive rail network.

At its zenith in 1913 Britain's railway system had 23,440 route miles. During the 1920s and 1930s a modest number of railway lines totaling 1,264 track miles were closed – mostly marginal country branch lines and short suburban lines facing competition from buses or trams.

With the onset of World War II, the railways became essential to the war effort and were heavily used. After 1945, despite much talk of modernisation, the government baulked at such spending on an “obsolete form of transport”. When the railways were nationalised in 1948, they were in a substantially worn down condition, as little maintenance or investment was carried out during the war.

Railway closures began again with 3,318 miles of railway closed between 1948 and 1962. In the 1950s the expansion in

personal cars and road haulage began to attract passengers and goods from the railways. In an attempt to catch up, in 1955 the British Transport Commission unveiled a Modernisation Plan, which proposed to spend more than £1,240 million (£24.2 billion in today's money) on modernising the railways, replacing steam with diesel and electric locomotives.

The plan promised to win back traffic and restore the railways to profit by 1962. But though traffic on the railways remained fairly steady during the 1950s, costs rose faster than income as fares and freight charges were repeatedly frozen by governments. By the early 1960s the railways were in financial crisis with operating losses rising to £104 million in 1962. The BTC could no longer pay interest on borrowed money.

Beeching's Axe

“Beeching's Axe”, the popular name given to the Tory Government's drastic reduction in our nationalised railway lines and services, fell in the 1960s. Beeching saw railways as a business, not a public service or essential infrastructure. If parts of the

system did not pay their way (such as rural branch lines) they should close. His 1961 Report recommended wholesale closure of railway lines, removal of stopping passenger trains and closure of local stations on other lines that remained open. During the next decade, route miles were reduced by 25 per cent and 50 per cent of stations closed, together with the scrapping of a third of a million freight wagons. Tellingly, one of his first acts was to close railway workshops where rolling stock and locomotives were made and repaired.

Though Beeching advocated rail investment, successive governments were keener on the cost-saving elements of the report. Wilson's 1964 Labour government reneged on its election campaign promise to halt rail closures – continuing them at a faster rate than before until the end of the decade. Beeching's Axe sparked an outcry from communities especially rural ones that would lose their rail services, many of which had no other public transport. Not all the recommended closures were implemented; a number of lines were kept open for political reasons, for example the Far North Line and the West Highland Line in Scotland.

The government argued that many services could be provided more cheaply by buses. But the replacement bus services were far slower and less convenient than the train services they were meant to replace – extremely unpopular with the public. Most of them only lasted a few years before closure due to a lack of patronage.

Towards the end of the 1960s it became increasingly clear that rail closures were not producing the promised savings or bringing the rail system out of deficit, and were unlikely ever to do so. Many of the branch lines had acted as feeders to the main lines: their closure made main lines increasingly vulnerable. The process just encouraged more car usage. Likewise the railways' ability to transport goods and freight “door to door” was dramatically reduced. The development of the motorway network, the advent of

not an accident. It
 industry to private profit.
 construction company...

containerisation and improvements in road haulage vehicles gave long-distance road transport an advantage.

Also, many of the closed lines had run at only a small deficit, whereas the busiest commuter routes had always lost the greatest amount of money, but it would have been more impractical and politically dangerous to close them.

Motorways and trunk roads

The attitude to road transport was entirely different. During the Second World War, Britain's badly congested roads had been identified for post-war reconstruction. The 1949 Special Roads Act eventually led to motorways appearing all over the country. A Tory government then denationalised road transport, putting 24,000 lorries back into the hands of private hauliers.

Ernest Marples, from 1959 to 1964 the transport minister in Harold Macmillan's Conservative government and also a director of a road-construction company (his two-thirds shareholding divested to his wife while he was a minister), masterminded the motorway expansion programme.

Interestingly, it was Marples who also appointed Beeching to head British Railways. In December 1959 the first section of the M1 opened to traffic and inaugurated the 1960s motorway mania that added a thousand miles of motorway by the end of the decade. So the person ultimately responsible for closing the railways was also getting the contracts to build the roads that would have to replace them.

Why did it happen?

Setting aside Marples's personal interests, capitalism was simply serving its class interests, as rail trade unions were relatively strong compared to those in the road haulage industry.

The successful 1955 rail dispute lingered in our rulers' minds. So private companies involved in road haulage and road construction were enriched, while the state-owned rail industry with its notions of service and safety was undermined. ■

More from our series on aspects
 of Marxist thinking

LABOUR ARISTOCRACY

Anxious to work out why the oldest working class, the British, had avoided moving to revolution, external commentators at the height of empire concocted a false argument in an effort to explain away this behaviour and in some circles it is still lazily dispensed a century or so later.

The argument asserted that a section of the working class was bribed by imperialism with "crumbs" from the British Empire's industrial and colonial monopoly and formed a "labour aristocracy" that held back the revolution out of privileged self-interest. The first person to promote this erroneous notion was Engels in the 1850s (particularly after Marx's death in 1883); then later it was adopted by Lenin, desperate to understand the reason why workers in western Europe stuck to the Second International's social democracy and ended up endorsing the fratricidal bloodbath of the First World War.

But the case for bribery is not supported by the actual facts of history. No capitalist ever voluntarily cedes more pay collectively to groups of workers. Increases are extracted from the employer either by class organisation and action, or are driven by skill or labour shortages. By the latter half of the 19th century, the skilled craft unions were well organised and exploited their position to force higher wages from their employers, particularly as there were no more reserves of rural labour – these had already been absorbed into urban, factory development. In such circumstances the bargaining power of workers is greatly enhanced (a process starting to happen currently in China). Dread of skilled workers underlies the false notion of a "labour aristocracy".

When imperialism and colonial rule were at their heyday in the late nineteenth century and early twentieth century, British workers gained nothing from empire. Indeed poverty and unemployment were widespread; witness the poor physical state of many of those enlisting for war. Industrial and imperial monopolists in Britain were content to fritter away large amounts of their wealth on ostentatious display in their newly-constructed mansions.

The phoney argument also conveniently ignored the awkward fact that the standard of living of the working class was higher in certain countries (Sweden, Denmark) which had no colonies, but lower in countries which had large colonial territories (France, Belgium).

Blaming all on the role of a "labour aristocracy" ascribes lack of revolutionary progress to an imaginary, external, venal cause. The truth is both much simpler and yet harder to accept. Workers, though prepared to struggle against aspects of the system, were willing to live with capitalism. As capitalism now lurches further into absolute decline, the pressing task is to change the ideology of our working class. Our class is the source of change.

Interested in these ideas?

- Go along to meetings in your part of the country, or join in study to help push forward the thinking of our class. Get in touch to find out how to take part.
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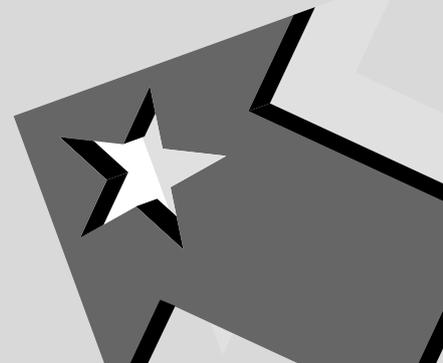
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Back to Front – Build the resistance

‘We won’t succeed if we look for direction outside Britain, the only place we really have a chance of knowing...’

MARCHES DON’T change history. It’s what people do after them that matters. And there can’t have been many among the half million or so on the big march in London on 26 March who thought that even a very large walk around the capital of a weekend was going to shift this government. For most, the aim was more focused: to demonstrate anger, and to bring the confidence of unity and solidarity back into their workplaces.

For a noisy minority, marches are almost an end in themselves. Certainly, they are much easier to organise than a strike, or indeed industrial action of any kind. Any worthwhile fight takes more than self-selected “activists” and pre-printed placards – action in the workplace requires discussion, unity, strength, and a democratic decision by the membership.

And for all the size of the march – no one but the unions, the organised section of the working class, can draw such huge numbers out against the cuts – it was in finality a protest. The battle remains to be won.

Thinking workers are not seduced by strident calls for the TUC to organise a general strike – unlimited, presumably. Those making the calls might instead consider starting with a local strike, but that would mean the hard work of organising. So much easier to stand outside a hospital and chant, for example, than to work inside for the unity and action of all workers.

Resistance has to be an inside job, or it will fail. Above all, that resistance must be guerrilla in form. That means tirelessly building strength and recruiting union members – the army of the working class – and then fighting where we are strong. We’ve had plenty of defeats. We need victories, fights where we end up

stronger than we began.

Motions are appearing in sparsely attended union branches around the country calling on workers to, among other things, emulate the workers of Greece and France. That’s just empty sloganising. We’ll have to do better than the workers of Greece and France if we are to survive. That’s not to criticise Greek and French workers: they have fought hard. But they have not succeeded.

And we won’t succeed if we look for direction outside Britain, the only place we really have a chance of knowing. We won’t learn much looking at TV images from Tahrir Square in Cairo, nor will we gain anything from empty-headed calls to replicate it in Trafalgar Square. We need to look closer to home, to our own strengths and weaknesses.

In the latest assault on the NHS, the government is attacking the London Ambulance Service (see page 3). In doing so, it is taking on perhaps the best organised and led group of workers in the NHS.

Those looking for inspiration should look not only at how the ambulance workers will resist, but take note of how they gained their strength – years of careful organisation and recruitment, a rejection of adventurism, listening to the membership not lecturing them, fighting to win.

The enemy has taken the fight into our heartland, the NHS, because that’s where the most profit stands to be made from rolling back civilisation. It is a big mistake. This is our ground, our terrain. It is also a fight we cannot afford to lose. But provided the fight takes place within the NHS where it can be real, not be led from outside, it is a fight we can win. ■

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