

WORKERS' fight



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"The emancipation of the working class will only be achieved by the working class itself" (Karl Marx)

FIGHTING BACK AGAINST THIS SYSTEM, ITS CRISES AND WARS, IS A MATTER OF URGENCY!

Government leaders have been forced to admit that we are going through the worst crisis since the Great Depression.

In a rational society, this would result in the mobilisation of all available resources to protect the livelihoods of the populations. Not so, in today's capitalist society. Not only are the resources of the state mobilised to shore up the wealth of the richest, but they are also used to spread death and terror - to shore up the imperialist interests of big business.

War against an entire population abroad...

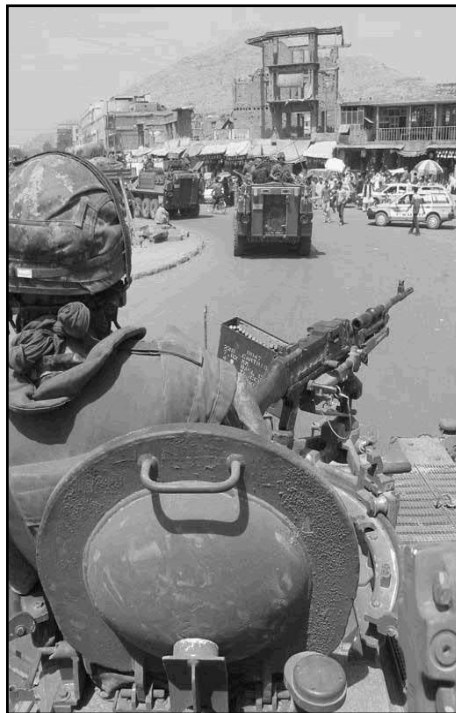
At the time of going to press, the death toll among British troops in Afghanistan has just reached 184. They are engaged in a bloody campaign in Helmand province - in which, once again, the population is caught in the cross fire.

8 years after the invasion there is no end in sight to this war. Brown tells us that more troops must be sent in and more lives wasted - to ensure that general elections are able to take place!

This is an indictment of the West's bogus "democracy". As if there could be "democracy" when a whole population lives under the threat of bullets and missiles! In fact, the real purpose of this operation, is merely to ensure that the West's puppet regime in Kabul remains in power, despite being hated for its corruption and parasitism!

Brown and his ministers still carry on peddling the worn-out argument of the "war on terror" to justify their bloody war. They claim that the 184 soldiers "died for their country"!

But these are lies, lies and nothing but lies. The truth is that, by invading Afghanistan, initially purely to make a show of imperialist strength, the West has primed an explosive chain reaction, which has spread across Afghanistan, overflowed into Pakistan and is now threatening the political stability of Central Asia and, possibly, India.



Today, this war has turned into a bloody, damage-limiting, face-saving operation, to extricate the rich countries' governments from the consequences of their own criminal actions. But it comes at an intolerable cost for all the populations concerned and it should be stopped now!

... and war against the working class at home

When they come back to Britain, and the sooner the better, soldiers will find the devastation caused by the crisis.

Here, no "terrorist threat" can be used to justify the war on working people that bosses and politicians are waging. Week after week, the list of jobs cut by profitable companies and the public sector, gets longer. And so does the list of repossessions. Week after week, the damage caused to the standard of living of the working class, by wage cuts in all shapes and sizes, increases.

After BA and BT tried to blackmail workers into "voluntary" unpaid work or leave, the CBI has now come up with another "ploy". Instead of being made redundant, workers would be "offered" a period of "non-work" paid at £136/w, half paid by taxpayers. Thus, bosses would defer redundancy payments, they would keep the option of retaining skilled workers and these workers would remain off the dole count. Everything would be for the best for the bosses and their government - but who can survive on such a paltry income?

Yes, this is a war against the livelihoods of the working class - a class war in which the government is siding with the capitalists to make workers pay for this crisis.

But in this war, the working class is not defenceless. It has the collective capacity to fight back and this fight back will have to take place - and the sooner it does, the better! □

Food costs up, wages down

Food prices went up at more than three times the rate of inflation over the past year, according to a report by the Joseph Rowntree Foundation. Official figures show an increase of 9%, while official inflation (the consumer price index, which excludes mortgages) was (only) 2.3% in April. Over the 12 months from April 2008 inflation averaged at 3.6%. Which just goes to show how useless the government's inflation figures are, as a tool to judge whether the cost of living is increasing or not.

The Rowntree Foundation calculates that a single adult with no children needs an income of at least £13,900 per year, before tax, to reach the "minimum income standard" - which is the level of earnings they reckon is needed to achieve a "socially acceptable" standard of living. This is £500 more than in 2008, and nearly half the extra cost is coming from food!

Yet what has been happening to wages, if you are lucky enough to have a job? Have they been going up to meet higher prices? In fact the Office for



National Statistics said average weekly earnings had fallen by 5.8% compared with April last year! In manufacturing this fall was 7.7%! Even City bonuses fell to less than half! One city economist said, "We certainly haven't seen anything like this in the last 60 years - and probably not in peacetime since the 1930s."

It's not hard to imagine why,

and even the ONS suggests it: everywhere, private sector companies have been freezing wages, when they weren't actually cutting them. But any worker knows that wages are going down compared to the cost of living, without looking at any figures. These days it feels like we all have a hole in our pockets. □

Equal rights for all workers!

In February the treatment of agency workers became national news as hundreds of long-serving BMW Mini agency workers were sacked with less than an hour's notice. It highlighted the scandalous insecurity faced by a growing section of workers in Britain.

When Gordon Brown visited BMW a few days later, he claimed that the government was bringing in "an agency workers' bill that will give them rights after 12 weeks and these rights will be extended." What he did not say was that these "rights" refer mainly to equal pay and will not include reasonable notice of dismissal, redundancy payment, let alone an unfair dismissal right. In fact, for years, Blair and then Brown led a campaign to delay the EU Agency Workers' Directive! Having finally given in, its British implementation

was bound to be duly watered down, to the point that it does not even have to be enforced before December 2011!

A 3-month consultation ending on 31 July is being carried out by the government. While employers line up to express their "concerns" (for their profits!), the TUC will dare to make a peep: its leaders already agreed to the 12-week qualifying period, in May 2008. In short, as long as they employ agency workers for less than 3 months, the bosses will be able to treat them as badly as ever. Unless, of course, resistance is mounted. Since, today, all workers are under attack, the time would be right for the whole workforce, permanent and agency, to stand up together and demand the same decent conditions for all. □

Will the bosses "volunteer" for profit cuts?

Willie Walsh, the CEO of British Airways made the headlines by daring to ask the 40,000 BA workforce to "volunteer" for unpaid work (or leave)... or else - since he was threatening to cut 3,500 jobs. And to make it look OK, he himself volunteered (along with his finance manager) to give up one month's pay.

Of course, since Walsh earns £14,700 a week, he should be able to survive for a month without pay. Not so for BA workers! Both luggage handlers and cabin crews have already said no to Walsh in ballots on these proposals. And they're right: why should workers pay for a crisis which they are not responsible for? If anyone must give up any income, it should only be those who can do without it - like Walsh, but also BA's big shareholders who enjoyed fat returns from the company's profits for so many years! □

Steel should be nationalised, full stop!

Europe's second largest steel-maker, Corus, which now employs only around 22,000 workers in Britain, has just announced a third round of job cuts - with 366 more manual jobs meant to go at its Scunthorpe "long products" mill as well as another 149 jobs at the Port Talbot and Llanwern strip mills in Wales.

At the end of June, Corus had already announced a cut of 500 jobs at Scunthorpe, as part of 2,045 job cuts across all of its British plants. And this was on top of 2,500 jobs cuts announced in January. This takes job cuts announced at Corus this year to well over 5,000 so far - including 1,920 at Teeside.

Corus, like many other companies, is using the crisis as a pretext to go on the rampage against wages, conditions, benefits and jobs. It is trying to close the final salary pension scheme. And it was in the middle of negotiating with the unions a framework agreement of concessions to "help" with cost savings, including wage cuts in exchange for "fewer" job cuts, when the latest decision to slash more jobs scuppered the talks!

No company should be allowed to get away with this, let alone Corus, whose parent company, Tata Steel, made a £740m net profit to March this year. This was "down by 60%" - which shows just how rich Tata Steel is. No, it has no excuse to close plants, nor threaten workers' jobs and pensions. Today, with infrastructure like transport and housing crying out for expansion and renewal - steel in all its many diverse forms is needed more than ever. In fact it is such an essential product that it should never have been in the hands of private profiteers in the first place. Since the owners of Corus have proven that they are unable to keep it going, it should be taken over by the state, without compensation. After all, the steel plants and facilities throughout this country were built with public money. Taking them back into state ownership would be the most obvious and necessary thing to do - and without more delay! □



Scunthorpe steel works

Unemployment: spinning up!

Unemployment figures showed a bigger rise in the first quarter of this year than at any time since 1981. The number of unemployed went up by a quarter of a million, to 2.26m.

The unemployment rate is now over 7% and there are 600,000 more people out of work than at this time last year - this, of course, on the basis of the government's grossly understated figures. What's more, the proportion of under-25s among the jobless is increasing even faster. They made up half of the new unemployed in March and it is estimated that 1 in 6 among them is looking for work.

There was an attempt to put a positive spin on these numbers by pointing out that the increase in JSA claimants was lower in April and May than in previous months. Except that this claimant count has a nasty habit of taking a long time before reflecting actual redundancies, due to the many hoops through which workers have to jump, before they can even qualify.

No, there is nothing positive in the fact that, despite these restrictive conditions, there are now over 1.5 million workers claiming the dole! And as the latest job cuts announced at Corus, BA and Lloyds (among many others) show, the government's spin is merely a pathetic attempt at a cover up! □

Young and unemployed, but with a world to win!

Though first used in Britain in 2000, the acronym N.E.E.T. (not in employment, education or training) has recently entered mainstream vocabulary to describe another of the casualties of the economic crisis - young people with no future prospects. The government tries to cover up its failure to do anything significant, by saying that though figures for 18 year old "NEETs" may be up, training for 16-17s has increased. However some commentators estimate that "long-term youth unemployment will almost treble" in the next two years!

Even in the thick of the current crisis, ministers still dare to blame the jobless for their "lack of skills". However, not only is the training on offer mainly aimed at keeping them out of the official count, but there aren't any jobs anyway! No wonder many youth feel they have no future! However, they are wrong. This rotten system won't give them a future, but they can build one for themselves, by joining ranks with all those who have had enough of this parasitic system and all its sanctimonious profiteers. The youth have always been at the forefront of the fight for social change. This is where their only real future lies! □

Keep the sharks away! Hands off our pensions!

Avicious media campaign has been going on for some time against public sector pensions and the "colossal liabilities" they are supposed to represent for the state. This campaign was recently reinforced by the findings of various "independent" think-tanks, coupled with a report sponsored by the industrialised countries' organisation OECD, which claims that these liabilities represent the equivalent of 85% of Britain's GDP.

The CBI's agenda

What really mattered for the so-called "experts", was obviously to produce an enormous figure - but certainly not to explain what it actually meant. Because, in reality, this 85% of GDP is meant to be paid out over a period of 40 years. But, of course, an expenditure of just over 2% of current GDP per year to fund the pensions of millions of former public sector workers sounds a lot less "threatening"! In particular, it pales into insignificance compared to the nearly 60% of GDP awarded to the finance sharks over just the past 18 months! But this is the kind of comparison that these so-called "experts" will not make, for fear of upsetting their employers!

Because, in fact, behind this media campaign lies yet another attempt by the bosses' organisation CBI, to torpedo the public sector pension system. Why? Firstly, because, many public sector schemes are unfunded (unlike private occupational schemes), so the finance sharks are unable to grab these schemes' assets in order to speculate on financial markets: while the sharks make huge profits out of "funded" schemes (including when they are said to have a big "deficit"), they do not make of penny of profit out of "unfunded" schemes - and that really upsets these fat cats. And secondly, the mere fact that most public sector schemes are still final salary schemes (even though they often pay very small proportions of these final salaries) makes it more difficult for big private companies to savage their own employees' final salary schemes - for those which still have one.

For a living pension for all

The most vicious aspect of this campaign, of course, is that it is aimed at pitting private sector workers against their public sector brothers and sisters, accusing the latter of being "parasites" of taxpayers' funding. But this is a cynical lie.

In fact, the "funded" pension schemes that private sector workers are forced to join have always been a monumental con. Workers have no control over these funds, which makes their retirement dependent on the ups and downs of financial markets. They cannot prevent the bosses from helping themselves out of their contributions one way or another (be it through fat management fees or contribution holidays). And, in addition, these funds have deteriorated so much over time, that the pensions they pay have become a pittance. So much so, that Labour had to introduce its pension credit in order to prevent pensioners from falling into total destitution.

The rich may want to build up their own nest-egg of savings to enjoy a luxurious retirement. And after all, since they produce nothing and do nothing, except live off the labour of working people, why should the state pay a penny to these parasites? But what is wrong with society taking care of all retired workers, who have spent their whole lives producing goods and services for the benefit of all, whether in the public or in the private sector? What is wrong with providing these retired workers with a living income out of the wealth produced by the active workforce? In fact, wouldn't this be the only decent, rational thing for society to do?

The only obstacle to such a universal retirement system for workers is, in fact, the parasitism of the capitalist class and the monopoly it has over a huge proportion of the wealth produced by society. But, in today's context, when hundreds of billions upon hundreds of billions of public funds are being lavished on these same capitalists, that these tiny layer of criminal parasites should dare to attack the pension rights of the overwhelming working majority of the population is totally unacceptable! □

• They want us to slave away till we drop

A parliamentary committee has condescended to look into the issue of pensioner poverty. They "discovered" that, after the hatchet job done on so many pension schemes, increasing numbers of workers will find themselves without enough of a pension to live on when they reach 65. Did they conclude that all low-income pensioners should be "bailed out", as the wealthy bankers have been? No way! Their conclusion was that workers should be "free" to carry on working into their 70s, 80s and 90s - in other words, till they die! Some "freedom"!

Never mind the fact that after a lifetime of back-breaking work, many manual workers don't even live long enough to see their pensions - or they die within a few years of retirement. Of course, this is a very different issue for politicians who spend their "working" lives lounging on the green benches (when they can be bothered to turn up) and sponging off their MPs' allowances. Sure, they can and would enjoy keeping the perks of the job till they drop. Unfortunately no-one is known to have choked due to an overdose of hypocrisy. Maybe some MPs will, after all?

• Beware the local government Madoff's

Local government unions have been denouncing what seems to be a common practice in local government, which involves shoring up the local authorities' finances with the proceeds of highly profitable speculation carried out with money borrowed at a low interest rates from their employees' pension funds. Apparently specific regulations allow local authorities to do just that with 10% of their pension fund's cash. The dangers are obvious: for instance, many local authorities had invested in the pie-in-the-sky high-interest accounts offered by the Icelandic banks which went bust after the crisis started. Needless to say, the greedy (or gullible?) depositors lost out and so did council finances.

This is, in fact, a typical example of the dangers attached to "funded" pension schemes. Having no control over these funds, workers cannot stop councils from playing bingo with their pension money. Not any more than private sector workers could stop companies from raiding their so-called pension "surpluses" in the 1980s and 90s. Nor can they protect their future pensions from the devastating effect of a stock market crash. In short, these allegedly safe "funded" schemes, are totally unsafe for working people!

Politicking with child poverty

In June, Yvette Cooper, Work and Pensions Secretary, announced a bill to make it legally binding for any future government to achieve its "child poverty targets" by 2020, under the control of an "independent" commission. However, these targets are still a far cry from the "eradication of child poverty within a generation" promised by Blair in 1999, since one of these is to cut child poverty to 10%, at most.

Given Labour's record, this bill can only be treated as another puff of hot air. Even before the crisis hit, only 1million children had been "lifted out of poverty" (out of 3.4m in 1999)

according to the government's own claims - and only half that according to other estimates. But ever since the crisis started biting, tens of thousands more children have been sliding into poverty every month, as the income of their parents was cut by redundancies and wage cuts. That this government should dare to boast about how it is reducing child poverty is obscene, especially at a time when it is implementing policies which help the bosses push workers into poverty!

But what is even more obscene is that, in fact, this bill is merely a banana skin that Cooper is throwing under the

Tories' feet. Cameron can hardly be seen to oppose such targets. So, in the likely event that the Tories win the next general election, this bill will provide Labour with a convenient stick with which to beat (or at least wave at) a Tory government. But what if Labour wins the election after all? Just as they have done with the "independent" Low Pay Commission which sets the abysmal level of the Minimum Wage, they will just have to appoint a subservient "independent" commission which will measure poverty in a more convenient way! □

Unclaimed benefit with no-one to pay it

According to the Department of Work and Pensions, there were £10.5 billions-worth of income-related unclaimed benefits last year - and this is even more than the previous year! The total in unclaimed Job Seekers Allowance, Income Support, Pension Credit and housing and council tax benefit amounts to as much as 15-23% of the entire benefits budget.

The DWP does not know exactly who was entitled to what, but it appears that those who miss out

most on getting their entitlements are pensioners. As many as 39% of the elderly poor are not claiming their pension credits - which would give them an extra £31 a week. Unsurprising, given the difficulty trying to claim on the phone, trying to hear - and understand - the recorded messages, or wait for one of the few staff members lucky enough to have avoided the job axe, to come to their aid!

Yes, over 40,000 jobs have

been cut in the DWP between 2004 and 2011! So, small wonder that unclaimed benefits are rising! Yet even more civil service jobs are to be cut this year!

The same government which boasts that it is "closing in on benefit thieves" - is clearly incapable and unwilling to find the people to whom it owes money, while cutting the jobs of those who would pay them - it is the real benefit thief, not to mention jobs thief! □

NHS dentistry: bad teeth all round

The Tories recently released figures showing how NHS dentistry has gone downhill under Labour and how they will set things right. For example, last year, 22,000 people had to go to hospital for emergency dental treatment. And since the new dental contract came in, in April 2006, completely changing the way in which dentists are paid for doing NHS work, 1 million more people have found themselves unable to get an NHS dentist. According to the Citizens Advice Bureau, 7.4 million people have not seen a dentist since April 2006!

Of course, for the Tories to point a finger at Labour, is like a false tooth calling a crown fake, as the downward slide was well underway, when they were last in office. Today, they say that they'll get those 1m people back on to NHS dentists' lists and will reinstate dental examinations in schools. This, they say, will be funded by cutting "bureaucracy" and "unnecessary" treatment.

The joke, though, is that there is hardly any "bureaucracy" left in NHS dentistry, except for a few accountants whose job is to ration treatment - i.e. the last kind of "bureaucracy"

that the Tories would dream of cutting. The fact is, that Labour has already disposed of the Dental Practice Board (DPB) - together with many hundreds of jobs, since the DPB was the biggest employer in Eastbourne. And since the DPB's job was to check on the quality and appropriateness ("necessity") of treatment, NHS patients lost the only protection they had as a result! Of course, when this happened, the Tories found nothing to object to. As to their promises, we've always known these politicians were lying through their teeth! □

The future of mankind lies with consciousness, not religious obscurantism

The publication of a report which found that “dozens of recognised sharia arbitration courts in the UK are regularly giving illegal advice on issues including marriage and divorce”, has stirred controversy in the media. And with good reason. Because there is something deeply disturbing in the fact that religious bodies - of any creed - should be entrusted with any kind of legal function. Religious beliefs, in so far as they exist in society, should remain in the realm of personal choice, without being allowed to play any social, legal or political role.

A threat to women's and men's rights

The issue is neither that of the freedom of religion, nor that of respecting a so-called “cultural identity”. In terms of civil rights, particularly for women, many of the gains made over the centuries have had to be wrested from the grip of religion - whether it be abortion rights, the right to divorce, or the right of women to be treated as equal to men (which is still far from being fully recognised). No religious or cultural pretext should be allowed to undermine these rights.

It is pure hypocrisy to justify the existence of religious arbitration bodies by the fact that defendants who are dissatisfied with their rulings can always appeal in a regular court. How many women (or men) are likely to stand up to the hostile pressure of relatives, if not of a whole community, in order to go through the complicated process of lodging a legal appeal against a ruling made by clerics? The role of



Politicians like Blair bear a heavy responsibility for promoting religious prejudices for demagogic reasons

society should be to guarantee that everyone benefits from the highest standards of rights, not to create ghettos in which individuals can be brow-beaten into giving up these rights!

Of course, the problem goes far beyond that of the so-called sharia courts. Other religious bodies have also been granted some kind of “special” legal status.

Legislation introduced first by the Tories in 1996 and then by Labour in 2002, was designed to institutionalise this state of affairs - under the pretext of a “multicultural” policy. But this was a mere excuse to get so-called “religious leaders” to police minorities, while cutting the cost of running the justice system, with the potential additional benefit of gaining some votes for the party in government.

The state religion, remnant of the Dark Ages

Ultimately, however, the core problem behind all of this, is the fact that in this 21st century, Britain still retains a

state religion, whose obscurantism permeates most of its institutions, including its legal system.

Schools still have RE as a subject, thereby brainwashing kids with anti-scientific, religious ideas - not as a result of their own choice, but due to the pressure of their parents or communities.

Bishops are still given an institutional role - even if it is only symbolic - in the form of reserved seats in the House of Lords.

The state still entrusts a significant part of the education system to so-called “faith schools” - something in which Blair and Labour have a heavy responsibility - not to mention a growing part of the “voluntary” sector.

These “features” of the British state are just as unacceptable as the undermining of women's rights by Christian, Muslim or Jewish clerics. All of this belongs to an outdated past of obscurantism, which should be left where it belongs - in the past. □

Control orders: Guantanamo in the community

On 12 June, the House of Lords heard an appeal from 3 men against "control orders" - the form of house arrest brought in as part of the government's "war on terror". They were placed under these orders on the basis of secret "evidence". But now the Law Lords have ruled that this was unlawful, as it is not possible to mount a defence unless you know what you are accused of and why - obvious enough!

However, the Law Lords failed to act on their own ruling, by declaring these men's control orders invalid. So the men in question will have to contest their control orders separately in court, but at least they will now have access to some - although not necessarily all - of the evidence against them.

Nor have the "Lords" ruled that control orders themselves

are "unlawful". These orders allow the Home Office to imprison people in their own homes for up to 16 hours a day, without a trial. They can be forced to move from one place to another, can be banned from meeting friends, and can be electronically tagged if they go out - for renewable periods!

The whole point is that the government does not want to reveal evidence they claim to have, because of how the security services came by it. In particular, they don't want their agents' cover blown, nor for them to be exposed for resorting to torture!

So, in Britain, "terror suspects", accused on possibly flimsy evidence, are treated like Camp X-ray prisoners in their own homes. □

Identity Crisis

The government's compulsory ID card has now been officially postponed. They still want to have some pilot schemes though. They already tried it on with workers at Manchester and London City airports but, in the face of opposition from these workers, including the pilots, they had to back down. The cards will now be voluntary in this trial, said Alan Johnson, the new Home Secretary.

But does this mean the end of this highly unpopular scheme? With

both the Tories and the Lib-Dems having made a big show of opposing the scheme (which they can afford to do, being in opposition), there is no way Labour wants this to become an issue in the run-up to the election - not to mention the scandal that this enormously expensive scheme would cause, at a time when public budgets are being axed. Hence the decision to put it on the back-burner - for now.

However, they are going ahead with plans to issue ID cards to

Water sharks' profits - the stink of sewers!

In April, the water and sewage companies embarked on their 5-yearly bargaining with the government over water rates. Since then, Thames Water, the biggest water shark, has upped the ante, saying that unless bills increase by 17% over the next 5 years, it will put off the renewal of antiquated sewers and water pipes. Moreover, it wants new powers to "restrict" water supplies to households falling into arrears.

As if Thames Water was threatened with bankruptcy! Not only have its operating profits increased by 5%

over the past year (up to £613m!), but it awarded shareholders a mouth-watering 118% dividend boost, up to £222m! And all this under the management of a subsidiary based in the Cayman Islands, a notorious British tax haven!

As to Thames Water's "infrastructure renewal expenditure", its own figures show that it actually dropped 40%, down to £104m over the past year, less than half the amount it paid in dividends! Yet, the company boasts that its water leakage ("only" £685 million litres/day!) is

Class Struggle n°84 is out!

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nationals of non-EU countries living in Britain. And the backdoor plans for getting the rest of the population onto the National Identity Register (the database which would underpin the ID cards) are still in place too. It will be supposedly "voluntary" - but if you want a passport, driving licence, or any number of other documents, there will be no choice! So, no, Big Brother has not vanished. And we can be sure that whichever party wins the next election, they will try it again! □

well within its regulatory obligations - which shows how inadequate regulations are. But one may ask how Thames Water manages to comply and still spend so little? Any plumber will give you the answer: keeping water pressure at a bare minimum reduces leakage and costs nothing - except to the consumer, who can't have a shower! Instead of a rate increase, Thames Water should actually refund customers for this trickle of a service! □

"Building Britain's future"? Certainly not our future!



New housing developments in East London, but no social housing, nor really "affordable" homes

Among the details of Brown's pre-election manifesto, called "Building Britain's Future" is a pledge to spend £2.1bn building 110,000 so-called "affordable" homes over 2 years. With house building at its lowest ebb since 1947 and some 100,000 construction workers unemployed, this should be welcome news for builders and home seekers alike. Or is it?

In fact, this pledge should be compared to one made in 2007, which said 70,000 homes would be completed in the first year of Brown's relaunched plan. The new target is now actually down by 19%, to 56,450. And whereas in 2007, Labour had promised that more than 2 in 3 of these homes would be social housing, now the target has

suddenly shrunk to less than 1 in 4! With queues of over 4 million people (and rising) council waiting lists, the chance of moving into one of the new council houses will be about as likely as winning the national lottery.

But that's not all. Commentators noticed that £1.5bn, or about half of the so-called "extra cash" will be reallocated from transport, education, the Home Office and local government budgets, raising questions about what cuts those departments will face. But then, of course, this is hardly a surprise: hasn't all the "new" money that the government can find or make, already been allocated to cover the financial losses of the City and help the bosses to boost their profits on our backs?

• **Camberwell blaze: a tale of criminal cost-cutting?**

On July 3rd, a blaze killed 6 people and left dozens of families temporarily homeless, in a 14-floor tower block, part of the Sceaux Gardens council estate, in Camberwell, south London. This is the highest level of casualties in a tower block fire since they started being built in the 1950s.

Various factors were blamed. The Fire Brigade was said to have been late, which may well be down to the bureaucratic cost-cutting filtering of emergency calls. The block's only fire escape, via a central stairwell, was also mentioned, as well as bin bags obstructing the access to the stairwell, due to the poor state of the rubbish chutes.

What was unusual, however, was that, having started on the 9th floor, the fire spread towards the top and, in fact, the 6 casualties were from the 11th floor. Yet fire protection in tower blocks is based entirely on preventing flames from spreading, with concrete walls and fire-proof doors. Except that, due, again, to poor maintenance, some of these doors were apparently broken. It was also pointed out that there was no sprinkler system: legislation was introduced in 2006, making this compulsory, but it was decided, on cost grounds, that this would not be applied retroactively.

Ominously, though, a government document released a week later points to a flaw in such buildings, which may well be the root problem: the design of the flats' internal staircase weakens the fire-proofing of common corridors. No-one will believe that this flaw has only been "discovered" now, 50 years after this tower block was built. Of course, doing something about it would have required increasing the housing refurbishment budget, instead of running it down as all governments did over the past decades. But guess what: Brown's headline-catching new building programme will result, precisely, in hijacking some of the paltry funds previously allocated to social housing refurbishment!

Repossessions slowing? No thanks to Brown, in any case!

The CML (Council of Mortgage Lenders) cut its prediction of 75,000 repossessions this year to 65,000. They say things aren't as bad as first expected - but even then it's higher than the previous record in 1992. They add however, that, "it is still too early to be sure that the slightly more positive recent news from the housing market indicates the start of a robust recovery."

One thing we can be sure of, though: this revised figure has nothing to do with the government's

"mortgage rescue scheme", even if that was what it was supposedly aimed at. By the beginning of this July, only 6 - yes, SIX! - households had qualified for rescue! Another 5,300 have apparently started the first stage of their application to the local authority.

While the housing charity Shelter is calling for an enquiry into why so few have been eligible, the CML points out that the scheme, which was meant to run for 2 years, was never intended to help more than

6,000 households.

In their view, the repossession rate may well be slowing because mortgage lenders are doing more to help by "showing forbearance", eg., allowing workers who've lost their jobs to go onto "interest only" repayments. Isn't that something? The self-same sharks whose greed inflated the gigantic housing bubble are "showing forbearance"! When they are the ones who should be begging for it!

Mortgage rate rises: their interest isn't ours

For the 4th month running the Bank of England's lending rate has remained at 0.5%, its lowest ever rate. Banks and building societies, which lend money, can borrow short-term at this record low rate in order to finance themselves. But do they pass this low interest on to their borrowers? Not on anyone's nelly! No, mortgage interest rates for home buyers are going up more and more! All the major banks and building societies have increased the rates of their most popular mortgages - Britannia increased rates by 0.7% and Northern Rock ("government owned" into the bargain!) by 0.9%! So now the interest charged for the average

2-year fixed rate mortgage is already above 5%!

Despite the government's promises, this is hardly going to help cut home repossessions - up 62% already on the 1992 figure - the last peak of repossession and eviction. Those who have lost their homes will just join the 4 million others already on council housing waiting lists! What this exposes, above all, is what a terrible con this idea of "home ownership" is - and always was. It is nothing more than a way for working people to turn themselves into permanent tenants of the banks, government-owned or not, which ensure that we are owners of nothing - except debts! ☐

The BoE's record low rate does not stop lenders from boosting theirs



There's no such thing as a reputable bank

The banks - which got such lenient treatment for their colossal debts - use underhand methods to recover the relatively small debts run up by working class people. One such trick is called "setting off": if you have taken a loan, or run up credit on a card from a bank where you have a savings account, and you miss a repayment, the bank can take money out of your account without warning. Yes, the "rules" allow them to "set off" your debt against your savings without your agreement! So if you have put money aside to pay a "priority" bill - like a mortgage - you can suddenly get into arrears without realising it, on top of being hit by penalty charges.

The number of "setting off" cases is rising phenomenally: there were only 50 cases in April last year, but this April there were 10 times as many

and in June, 1,100 got stung by their banks in this way! It means that the bank is, to all intents and purposes, taking over control of your savings account! And what is more, you actually have no legal leg to stand on, although if you take a complaint to the Financial Ombudsman Service, apparently it rules against the bank and makes them repay the money in half the cases it hears... The Citizen's Advice Bureau says the only real answer is not to have a credit card or a loan from the same bank where you have a savings account.

The second and even worse trick is the "charging order". If you have an unsecured loan and cannot keep up with payments, the company or person to whom you owe money, can get a charging order from the court to secure your debt against your home. Then the lender can

try to recover the debt by applying for a repossession. Worse, there is no minimum threshold for obtaining a charging order - so a lender can threaten your home even if the sum you owe, but cannot pay back in time, is very small.

Requests for charging orders have increased over 7-fold since 2000. In 2007, 132,000 orders were requested, and 74% of requests were approved by the courts. They are being awarded before debtors are even given a chance to enter into payment plans. It seems that banks, credit card and store card companies - and backstreet loan sharks - are all crowding in on the act. The Citizens Advice Bureau is asking for a review of the law. But the worsening debt crisis for the poor is not something this government is in the least concerned about. ☐

Bankers' pay - just like old times

Stephen Hester, chief executive of the government-controlled Royal Bank of Scotland, is following in the footsteps of his predecessor, Fred "the shred" Goodwin, it seems. At least in terms of remuneration! He had better hope that nobody throws rocks at his windows as happened at Goodwin's Scottish mansion when his huge pension pay-out was made public.

His "basic", since he was appointed last October, is £1.2m/year, plus a bonus in shares worth £2m/

year. In June, yet more was added to this fat package - a bonus worth up to a maximum of £6.4m a year, provided certain financial targets are reached by RBS in terms of share prices and profits. In total, therefore, Hester could theoretically earn £9.6m a year (or £192,000/week!). Ironically, Brown's representatives defended this package against the threat of a shareholders' "rebellion" - so much for Brown's sanctimonious statements about how he was going to clamp down on the unhealthy sky-

high pay packets and "outrageous bonus culture" in the City!

A senior City figure was quoted saying that if Hester meets his financial targets, he will have "rescued us all from a deep hole and would deserve more than a pay cheque - he ought to get a knighthood and a plinth on Trafalgar Square with his statue on." Actually, it would be better for all of us, if he jumped on that vacant plinth in the Square and stayed there! ☐

Mount Pleasant mail centre (London)**A moratorium on strikes? But where's the moratorium on job cuts?**

Instead of issuing Royal Mail with an ultimatum to stop the current attack on jobs, or face an indefinite strike, the postal workers' union CWU has offered Royal Mail a 3-month "moratorium" on strikes (a no strike deal) if it will only (please!) sit down and talk! In the meantime only the London region, parts of Scotland and isolated offices here and there have either had strike ballots or will have them - to be "called out" for one-day or "rolling" strikes, but not all at the same time, except perhaps for a "national day of action" on 17 July (which at the time of writing

is still going ahead.)

These strikes are not even clearly about putting a stop to the job cuts and the ever increasing burden of work placed on workers. No, the CWU leaders have said that it is about RM "breaking an agreement" on "modernisation" which dates to the last national strike in 2007. This "agreement", which was hailed as a "victory" by CWU leaders, already has led to significant cuts in jobs and conditions. And it did not stop RM from closing down the final salary pension scheme and raising retirement age to 65 years (meaning

many workers have lost thousands of pounds in future pension payments).

Why the CWU leaders still insist on making agreements with bosses who have no intention of honouring them, is a mystery to many postal workers - who would like to see a solid and effective fight to defend their jobs and working conditions. Of course this would be possible, but it would require workers taking control of their strike and convincing others to join them, so as to stop the CWU leaders from using it just to reinforce their own position. □

Royal Mail pensions - Mandelson's deceit

Along with the shelving of the Royal Mail part-privatisation, the government dropped its previous commitment to "take over" the Royal Mail pension fund. What's more, Mandelson has now started to single out this fund and its £3.4bn estimated deficit as a "threat to the universal postal service" - as if it was the postmen's meagre pensions which prevented the government from delivering the decent postal service it owes to taxpayers! And the fund's pliable trustees' chair has already said that she is considering closing down the already reduced (career average) scheme and forcing existing workers into a much worse defined contribution scheme.

Of course, Mandelson conveniently fails to mention the big debt that the

government owes to the postal workers' pension fund after Tory and Labour governments took 10 years of contribution holidays. Nor does he mention the fund's drastically reduced income caused by the tens of thousands of postal job cuts of the past few years!

So, yes, Mandelson is lying. Given its 10-year raid on the pension fund, the least the government should do is to ensure that the pensions that workers pre-paid out of their wages should be funded in full. As to the universal postal service, the only threat to it is the politicians' determination to allow private sharks to make profits out of the mail service. Sooner or later, this threat and the threat to their pensions, will have to be challenged by postmen and women. □

• Strikers' control!

The strike was solid on the 19th in the rest of London and a large part of Scotland. Plus, the tally of offices in dispute up and down the country is reaching 200 and rising. So a national extension of this strike would be a natural progression - official or unofficial. But as a priority, we need to write our own demands and negotiate for them ourselves. How else do we avoid a repeat performance of the EC's secret 2007 negotiations - which gave us this lousy "deal" which we're trying to tear up today! [W.Fight bulletin - Mount Pleasant 29/06/09]

• Legal or not, it's the government doing it!

Not only is the government culpable for making the recession worse by its job slashing, but it's also paying starvation wages to casual workers! RM is currently recruiting workers on casual, zero hour contracts for 12 weeks, at £5.95 per hour (slaves would be better off as they'd be fed and housed!) - mainly for Saturdays, but "as and when required"! This isn't (just) for the strike, either. Casuals on these "contracts" have been called in to help in several London DOs for some time. [W.Fight bulletin - Mount Pleasant 29/06/09]

BMW Mini centre (Cowley, Oxford)**• Blatantly Misleading Workers**

How many people who voted for Saturday working in the new 11-shift "option" were told by BMW that they would not receive the weekend shift premium? Now BMW say that Saturday will be part of our "regular working week". What "regular working week"? None of us voted to work regular weekends! [W.Fight bulletin - BMW Oxford 16/06/09]

• They must be joking!

Come the end of June BMW will expect anyone on permanent days to work 3 Saturdays a month, and 62 hours every third week! As if we're not working permanent days for a good reason! [W.Fight bulletin - BMW Oxford 16/06/09]

• Where are these jobs going?

It was always a disgrace that Body-in-White workers, some with 20-40 years' service, were thrown into Assembly when BMW cut the weekend shift workers. But now it's worse. BMW is refusing to allow welders to go back to B-i-W to fill vacancies - for welders! [W.Fight bulletin - BMW Oxford 16/06/09]

• Robbing us of holidays

The way Manpower accrues holiday pay, it looks like awe won't even have enough to cover the August shut-out, owing to the shut-out in February. In fact it will leave us with only one day of annual leave "floating" - and that to be taken by agreement with BMW management. [W.Fight bulletin - BMW Oxford 30/06/09]

• We need a regular salary!

Manpower agency temps still get paid in blocks of weeks, instead of true monthly pay as Manpower claims. And as even a week's pay is determined by the hours worked, BMW's current shift pattern exposes us to yet more ups and downs. At the next pay day on 31 July, we'll get paid for 3 weeks of 4 shifts and 2 weeks of 3 shifts. And Manpower's hopeless payroll operation is supposed to get our payments right? [W.Fight bulletin - BMW Oxford 16/06/09]

Ford Dagenham estate (Essex)**Engineering hell**

At Ford Dagenham's Engine Plants it may feel as if the recession stopped about a month ago. Because, all of a sudden, lay-offs and down days all but ceased, to be replaced by an increase in line speeds and even overtime working on some of the engines. Most notably, on the newest line - producing the 1.4 and 1.6 litre "Tiger" diesel engines, but also on the oldest line, producing the "Lynx", a 1.8 litre diesel engine.

So for the past two weekends, (and probably more to come) workers on the "late" shift, working from 2.30pm to 10.30pm, were "offered" 8 hours of Saturday overtime starting at 6.30am. Meaning only an 8-hour break between shifts, which goes against the minimum 11-hour rest period provided by Working Time legislation. But as it happens, this law includes a convenient loophole that Ford exploits: the minimum rest period doesn't have to apply at

the end of a working week when the shift pattern changes over. So Ford counts its working week as Saturday to Friday, even though Saturday is not usually worked! And then brings in workers changing from late to early shift on the Saturday. Never mind the fact that just 8 hours to sleep, eat and travel home and back again, is totally inadequate and a threat to their safety and health!

Of course, the reason for this frenzy of overtime and over-working, is that Ford sacked 250 temps last November and has, in addition, been pushing older (less "productive") workers into early retirement! The plant's senior union officials have remained remarkably silent, both with regard to the sackings and with regard to the damage to workers' health from crazy working hours. They too, must be working overtime - cosying up to management. ☐

• A clear case for refusal

We hear that the talks on the pay deal were not so well lubricated by the usual wine nor swallowed down with the usual rare steak... Not when Ford "offered" a wage freeze for year 2 and 3 (cf: Jan's deal of inflation+¼% yr 2 and ¼% in yr 3...) We also heard Ford wants to scrap the pension lump sum - or is that just to soften us up for a contribution increase (i.e., another wage cut!)... [W.Fight bulletin - Ford Dagenham 07/07/09]

• Stick these carrots in your turnip stew!

Lynx engine worked this Saturday. But over half the workers from Lynx itself turned the overtime down! Boss Dickhead and supervisor Caveman went round the line on Wednesday trying to shake everyone's hand to persuade them to come in, like a pair of snake oil salesmen. They promised that if we came in, we'd get to work Sat and Sun next weekend into the dirty bargain. Then Caveman went dangling a carrot over the Tiger and Lions' den! Well it's three cheers for all those who told him to get lost. You never know, with all that sweat running into his eyes, maybe he will. [W.Fight bulletin - Ford Dagenham 07/07/09]

King's Cross railway station (London)**National Express gravy train(s)**

National Express is planning to drop its East Coast franchise after less than 2 years of running it. However, thanks to a legal trick, it will not have to pay the share of profits it undertook to return to the government under the terms of its franchise, after all! In fact all railway franchises are set up as ad hoc entities, distinct from their owners who can enjoy the resulting profits, but also walk away in the event of losses, without having to pay the full bill! Moreover, in the case of National Express, it appears that it can default

in one franchise and still keep the ones where it is making profits, like East Anglia and C2C.

The obvious question is, why should they be allowed to do this? For the government, this doesn't look too good, especially with an election coming up. So Lord Adonis, the new Transport minister, has been making loud noises about stripping National Express of its other franchises - but the fact that he has actually done nothing says it all!

Privatisation of essential public services, like the railways, has long

proved to be a failure. Yet the government is setting up a public company to take over the East Coast mainline from National Express, with the aim of returning the franchise to another operator! When this line, like all the others, should be brought back into an integrated railway network, run as a real public service with all the investment necessary for a safe and efficient operation - and that means, beyond the reach of any private shark! ☐

Win-win situation for the rail sharks

When rail services were first franchised out, the government ended up paying far more in subsidy to the private train operators than expected. When the franchises were renewed, certain operators were told they would have to return some of their profits to the state. Of course, this was all sleight of hand, since none of them could have made any profit without the billions of state funding spent on the infrastructure via Network Rail!

But even these supposed returned

profits now look uncertain. Thanks to a very generous subsidy formula which kicks in during the fourth year of an operator's contract, if revenues aren't quite up to its optimistic predictions, the government will make up 80% of some of the revenue shortfall. So after raking in the profits while times were good, the operators can expect the government to pick up the tab when things get a little tougher. So, for instance, First Group got £50m last year, to prop up their Great Western

franchise, and the way things are going, the government is predicted to have to fork out another £100m this year for First Great Western, First Capital Connect and National Express East Anglia alone.

But then, railway privatisation was always about privatising profits and keeping costs and losses in state ownership. The crisis is just helping to shed a cruder light on this fact. ☐

BP, Shell & Co: petrol tainted with Iraqi blood

It's now official - the oil giants have been admitted to Iraq to take their share of the spoils of war. And, predictably, the main beneficiaries are BP, Shell, Exxon and Total.

From 1920 to 1961, these very same four companies were partners in crime within the "Iraqi Petroleum Company" (IPC). They dictated their terms to the British-appointed monarchy, plundered Iraqi oil and exploited the population. But in 1961, the populist regime of general Qasim, which had overthrown the monarchy, cancelled IPC's monopoly over all future Iraqi oil. Within five years, a Baath-party coup overthrew Qasim and restored the IPC's monopoly, with the helping hand of MI5 and the CIA. It was at

that point that Saddam Hussein came to prominence, for his role in suppressing Communist activists in Baghdad's working class districts. Nevertheless, the IPC's rule was finally ended by a series of nationalisations in 1971-75, although the companies were all generously compensated.

In the early days of the US-British invasion of Iraq, BP's chairman, Lord Browne, had stated its company's claim to a major share of Iraqi oil. His desires have now been fulfilled and BP's greed for profits will be able to feed again on the resources of Iraq. But at what cost for the population of Iraq - the slaughter of hundreds of thousands and the destruction of the country's infrastructure! ☐

Iran: Britain's dirty name

The Iranian regime was quick to blame a "foreign hand" for the protest following the recent presidential election. But, although the protesters had good reason to take to the streets without any prompting, such accusations have a certain credibility, especially regarding Britain, described by the regime as "the most evil country".

This goes back to 1908, when a huge oilfield was discovered in Southern Iran. The London-backed Anglo-Persian Oil Company (BP's ancestor) was formed and turned Iran into a semi-colony of Britain. After WWI, the end of the Ottoman Empire and the victory of the Bolshevik revolution in Russia caused a radicalisation in Iran. This led London to opt (already!) for "regime change". In 1921, London helped an anti-communist general to stage a coup and launch a new dynasty, the Pahlavis, which ruled until 1979. Not without some hiccups, though: when, in 1941, the same ruler refused to allow US weapons to be taken across

Iran, British troops moved in: the unruly Shah was sent into exile and his more pliable 18-year old son was put on the throne.

After WWII, demands for a less unequal relationship with Britain were made - and ignored. In 1951, a nationalist prime minister, Mossadeq, responded to this arrogance by nationalising the oil industry, with the massive support of the population. Britain tried to organise a boycott of Iranian oil, with the help of the US. But after two years, having failed to intimidate Mossadeq, London resorted once again to "regime change": a military coup was staged against Mossadeq, with MI6 and CIA assistance, and BP's oilfields reopened while nationalist and communist activists were brutally repressed. In the 26 years that followed before the final collapse of the Shah, in 1979, BP continued to plunder Iran's oil while Britain backed the Shah's bloody dictatorship to the bitter end - something that few Iranians will ever forget! ☐

US jobless figures: the same lies, damn lies!

The jobless rate in the USA is the highest in 25 years. Although not as bad as in the Great Depression, it is not far off. Since December 2007 - officially considered as the start of the recession - the number out of work rose by 7.2 million giving an official total of 14.7 million unemployed. But just like in Britain, the government massages the figures. For instance, the US Labour Departments says 467,000 people lost their jobs in June. But a website called "Shadow Government Statistics" says the real figure is nearer 700,000. And if the fall in the number of hours worked - to a record low of 33hr/week - is taken into account, this is equivalent to 800,000 jobs lost!

The same jiggery-pokery applies to the unemployment rate, which the government claims is 9.5%. If "discouraged workers" are included, the rate is 16.5%, making a total of 25 million unemployed (out of a population of 306m). However, the definition of a "discouraged worker" was changed under Clinton to someone who had given up looking for work only in the last year. So if one includes all those longer term "discouraged" workers, then the rate shoots up to 20.6% - one in five workers!

Just like in Britain, only a minority is entitled to unemployment benefits - only 6.7 million. And because the number of claims dropped by 53,000, in June, despite the sharp increase in jobless, US officials claim things are improving. On the contrary! The real reason for the fall in the claimant count is that workers only get this benefit for 26 weeks. Another "privilege" which our American brothers and sisters share with the unemployed here, whose JSA benefit only lasts 6 months. ☐

In addition to this monthly paper, we publish fortnightly bulletins in several large workplaces in the South East, a quarterly journal, "Class Struggle" and the "Internationalist Communist Forums" - a series of pamphlets on topical issues.

If you wish to find out more about our ideas, activities and publications, contact the Workers' Fight activist who sold you this issue of our paper, or write to us either by e-mail, at contact@w-fight.org, or by postal mail at:

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