

# WORKERS' fight

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

## ALL IN IT TOGETHER... AGAINST THE BOSSES!

Greece, Ireland, Portugal, Spain and now, maybe, Italy - the list of European countries which are bankrupt, or on the verge of bankruptcy, has been growing by the day, over the past months, as if due to a domino effect.

In each case, workers have been told that they had to pay for "their past profligacy", when, in fact, the greed of the capitalists and the madness of their system were to blame. In each case, public services, welfare and pension provisions have been savaged, collective agreements torn apart, public sector wages cut and taxes increased, while public and private sector jobs were slashed.

### **Britain "protected"?**

Sounds familiar? And so it should. For all the claims that what's happening in continental Europe "cannot happen here", we know it is already happening to us workers. The attacks that we are facing in Britain are in no way different in content from those taking place on the Continent. And they have the same purpose: to make the working class majority foot the bill for maintaining the profits of the capitalist class despite the crisis of its system.

As a consolation, we are told that Britain is "protected" from economic collapse, unlike the eurozone, thanks to the pound and the Bank of England setting its own interest rates. But is it?

Is the pound "protecting" us against job, services or welfare cuts? Has it "protected" us against inflation, which is among the highest in Europe? Above all, is it protecting us against the parasitism of capital? Of course not!

In fact, it is this parasitism which is causing the present domino-like bankruptcies in the eurozone. First the big banks got the states to bail them out with public funds. Then, they went on to make a killing, using the bailout money to speculate and to browbeat the same states into taking loans at punitive rates,



**Protest in Syntagma square (Athens)**

which precipitated their bankruptcy.

And if, so far, the British state has avoided total bankruptcy, it is not because it is better "protected" than Greece against this parasitism - in fact its total debt is almost equivalent to Greece's debt in proportion to the size of its economy. It is quite simply for the same reasons that France and Germany have avoided bankruptcy - because it takes longer to kill a bigger fish than a smaller one!

### **Taking to the offensive**

Capital's parasitism represents a major threat to society as a whole.

It is taking its toll today, with the wholesale attacks orchestrated by the bosses and the Con-Dem politicians in office. As to Labour, its record in government and Miliband's present bending over backwards to the City show that they would not do otherwise.

But this parasitism represents a major threat for tomorrow as well. What is now happening to the smaller eurozone countries may well turn out to be a

blueprint for what the finance parasites have in store for Britain and the bigger countries tomorrow. Society cannot afford to live under such a threat!

The capitalist parasites and their men in government must be stopped before they cause more disasters. And only the working class majority has a common interest and the collective strength to stop them in their tracks.

The March 26<sup>th</sup> mobilisation in London gave us a taste of this collective strength. The June 30<sup>th</sup> public sector strike, was a step towards using it. But it must not stop there.

Millions of workers are facing the same attacks, in the private and the public sector, as well as among the unemployed. By seeking consciously to overcome sectional divisions and setting itself objectives which really address the problems faced by all - cuts in jobs, wages, pensions, welfare and services - the working class has the means to become a colossal force against which the capitalist parasites would be impotent. □

## Of thieves and robbers

At the stroke of a pen, media mogul Rupert Murdoch got rid of the News of the World. The newspaper was closed and its 280 workers sacked. Never mind that most had nothing to do with phone hacking - nor that those who did, took their orders from Murdoch and his sidekicks!

In this society the rich and wealthy can get away with anything - and Murdoch certainly will. The

News of the World will just be replaced with a Sunday edition of the Sun, with a different staff, but the same Murdoch behind them!

As to the enquiries announced, what will they uncover? That the media industry is rotten? Hardly a scoop! As if media sharks were different from all other profiteers!

In fact, Cameron is just trying to sweep uncomfortable truths under the carpet - like all past governments

which turned a blind eye to this phone hacking, ever since it first came to light 8 years ago. Because, contrary to what politicians claim, the real scandal is not that the media bribed the police, but that the police took the bribes in the first place. And since the police is in charge of policing itself, the odds are that the truth will never be known! □

### • Banks' bailout feeds starvation

If anyone wondered what British capitalists did with the £200bn of public funds handed out by the last Labour government as "quantitative easing", one does not have to look very far: a large part of it went into the commodity markets, that is, for betting on anything from metals to oil and agricultural products of all sorts.

Lending money and betting on shares had become less attractive for the profit sharks, so they were looking for new ways of making a fast buck. The banks were quick to oblige by creating almost from scratch a whole new system for speculating on commodities. So much so, that the sums involved in this speculation are now 40 times larger than 10 years ago!

The result of this frantic activity is not just the ups and downs in oil prices, but a massive rise in the prices of most commodities: over the past year alone, aluminium rose

25% and wheat 50%. As to copper, it has increased by 200% since the start of the crisis! Meanwhile, as far as the banks are concerned, the populations whose livelihoods depend on buying rice, wheat, sorghum or other staple foods, can starve to death!

### • Austerity? Not for everyone!

Workers have little choice except to pay their tax - the tax man takes it out of wages and that's that. Not so for big businesses, which employ armies of accountants and lawyers to help them "avoid" their tax liabilities. As a result, Her Majesty's Revenue and Customs (HMRC) is in dispute with large businesses over a total of £25.5bn in tax. And most of this is unlikely ever to be paid, since HMRC adopts a deal-making approach - that is, it lets companies off the hook in return for paying a fraction of what is due. Vodafone, for instance, recently paid just £1.25bn to settle a reported £6bn tax bill.

Why not make them cough up in full? Shouldn't they be facing criminal charges? Tax evasion on such a scale is not fiddling, it's organised crime, and should be treated as such - all the more so, as recovering this amount would cover a full year of spending cuts for 60 million people!

### • Lloyds' axe falling again

Currently 112,000 employees work at Lloyds-HBOS, down from 140,000 in 2007. Soon, there should be around 90,000, for the sole purpose of returning Lloyds to private ownership following its quasi-nationalisation in 2008.

So not only has the taxpayer paid for the criminal activities of the banks to the tune of hundreds of billions; but 50,000 workers at Lloyds HBOS, mostly doing useful jobs, will have been sacrificed in the space of a few years so that a handful of rich shareholders can make themselves obscenely rich when the sell-off finally occurs!

### • Class-ridden society!

The income of the top 10% of earners has risen four times that of those on low incomes over the last 30 years said a TUC study. Specifically, while judges', barristers' and solicitors' wages have doubled, bakers' incomes are up only 1% and fork lift drivers' only 4%. While workers' sweat has enabled the British economy to double its wealth production, they have hardly benefited at all.

Pensions are of course included in the increased gap between rich and poor. While it takes 35 to 40 years for workers to earn a full pension, it takes the rich only 20. And the pension pots of the directors of the 100 biggest companies are now worth £2.8m on

average - enough to give them a pension of £170,000/year! And they still claim that "we're all in it together"?

### • Who are the "ultra" rich?

The world's wealthiest have now grown richer than before the crisis, says the annual "World Wealth Report". While workers are expected to receive pay cuts, the super-rich are richer than ever, with their combined wealth nearly 10% higher than the previous year and surpassing its 2007 peak of £25,300 billion. And there are more of these super-rich, nearly 11 million, up from the 2007 record of 10.1m.

The report's definition of a super-rich, what it calls "high net worth individuals", is people who have more than £620,000 (\$1m) of "free" cash

- excluding the value of their house. Britain has 454,000 of them. As though to rub it in, we read that they spend their money on Ferraris, diamonds, art and fine wines.

The report also provides a concrete picture of the world's top capitalists, those who really control the world economy. There are only 103,000 of these "ultra-high net worth individuals", with at least £18.6m (\$30m) "free" cash in their pockets. Their wealth has shot up by 11.5% to £9,340bn.

All that needs to be done is to expropriate this tiny clique of "ultra" sharks. Surely, given the relationship of forces (almost 60,000 women and men for each "ultra" shark), this should not be impossible!



## 80 years ago

## The 1931 "National Government"

**When the main parties all joined up to wage war against the working class**

In August 1931, a "National Government" coalition was formed by a section of the Labour party, led by Ramsay MacDonald, together with the Tory and Liberal parties. It was the second coalition government in modern British history and, just like the first one during World War I, it came into office in order to wage war. Only this time, it was a class war, against the working class, to make it foot the bill for the Great Depression.

### **In the depth of the crisis**

Two years earlier, in October 1929, the Wall Street crash had signalled the start of the Depression. A minority Labour government backed by the Liberals had been in power since May that year, led by MacDonald.

The impact of the Depression was devastating for Britain's ageing industry. Exports collapsed, major industries closed down. By December 1930, official figures, which only measured those who contributed to the unemployment scheme, had shot up from 1m to 2.5m - 20% of all contributors.

Predictably, the resulting squeeze on this scheme, which had been designed for at most 4% unemployed, choked public finances.

The only remedy would have been to take drastic emergency measures, by banning redundancies and raising more resources from the rich through taxation. But this would have meant denting the profits and wealth of the capitalist class, something that MacDonald and the Labour leaders were not prepared to do, preferring to blame the unemployed as "shirkers", while counting on the "market" to rescue the profit system.

In August 1931, however, a run on the pound left MacDonald with no

option but to take emergency measures. He and a majority of his ministers, chose to bow to the bosses' pressure by announcing a 10% benefit cut for the jobless, a considerable tightening up of entitlement and a 10% pay cut for public employees, although in practice many were to lose more.

These decisions split the Labour party right down the middle, including its leadership - as well as the Liberal party. When nine Labour ministers threatened to resign, MacDonald made a deal with the Tories and Liberals to form a coalition government in order to implement these cuts - leading to MacDonald's own expulsion from the Labour party.



In October 1931, Parliament was dissolved and a general election was called to shore up this reactionary agenda. MacDonald's Labour supporters stood as "National Labour" candidates and his Liberal supporters as "National Liberals". The Tories won an absolute majority in the Commons, mainly due to a big swing from the Liberals, while the anti-MacDonald wing of Labour lost 225 seats but retained over 30% of the votes.

However, in view of the possible backlash which might be triggered by the planned cuts, the Tories preferred to keep the "National Government" afloat, with MacDonald at its helm, as a coalition between them and the "National" wings of the other two main parties.

### **The anti-working class offensive**

The new government went on to implement its attacks against the working class.

However, this was a bumpy ride. Even before the October election, resistance had appeared from an unlikely quarter - ratings at the Invergordon naval base. Following the announcement of a 25% cut on some ratings' pay, crews went on strike, refusing to take part in planned exercises. MacDonald was forced to reduce this cut to the same 10% planned for other public sector workers. But there were other instances of resistance, like,

for instance, the jobless riots which took place in 1932, in Belfast and Merseyside.

By 1935, the "National Government" had completed its job: its drastic turn of the screw on the working class and injection of public funds to modernise some of the big industries, had helped the bosses to restore their profits. The stage was now set for the Tories to take over and provide the capitalists with a fresh source of profits in the form of the state-funded rearmament drive in the run-up to World War II.

Today, four years into an economic crisis which is, in many ways, comparable to the Great Depression, the increasing similarities between the policies put forward by the three main parties merely reflect the fact that, like in the days of the "National Government", they are all there to protect the same profit system. And if it comes to the crunch, like in 1931, they may well end up jumping, once again, into bed together, in order to organise the offensive of their capitalist masters against the working class. □

### **Class Struggle n°92**

*In the July-September issue of our journal:*

- June 30<sup>th</sup>: a second step, but many more will be required
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## SACRIFICE ?



From "PIERS" (the Organ of the N.C.L.C.)

## Anti-immigrant demagoguery - when all else fails

Addressing a right-wing think tank in Spain, Iain Duncan-Smith pontificated that British companies should employ more British school-leavers, rather than immigrants. The immigration system, he said, should provide a "level playing field". Bosses here pointed out that it already does, but the problem was the British school-leavers were both uneducated and "unwilling to work hard" - by which they mean, for long hours on

starvation wages!

The only way of dealing with unemployment would be to share the work among all available workers, without loss of pay. But since no politician would dream of denting the wealth and profits of the capitalists, their only policy to deal with the problem is to whip the jobless into non-jobs, while trying to convince them that the cause of their misfortune is that there are "too many

immigrants" competing with them.

Just like Gordon Brown in the past, with his call for "British jobs for British workers", IDS knows that he is playing with fire. But when all else fails, this sort of demagoguery, designed to fuel xenophobic prejudices, is always the last resort of politicians trying to cover up the bankruptcy of the system they defend. ☐

## Labour and the "deserving poor"

Labour only opposes Con-Dem welfare cuts on specific points, such as where they cut childcare support. But its own proposals, aimed at promoting "responsibility", point the finger at the jobless. Labour's policy review chief explained that the unemployed need to "work harder" to find work. His proposals include weekly signing-on and compulsory "workshops" for long-term unemployed with young children as a condition of support for childcare costs.

Ed Miliband, meanwhile, praised councils in Manchester and Newham (east London) which award points on housing waiting lists to people who

"make a contribution to society" - i.e. the "deserving poor" who are in paid or voluntary work. Probably to illustrate what is meant by "undeserving poor", he told how he had met a man on incapacity benefit who, he was "convinced" (no doubt thanks to his medical knowledge!), didn't need to be.

So much for "Red" Ed! For him, unemployment is not to be blamed on a reckless system, but on the jobless. Unsurprisingly, Labour and Tories share these views, which merely reflect those of the capitalists themselves. ☐

### • Why not call it slavery?

Philip Davies, Tory MP for Shipley thinks that the new magic formula to get disabled people to be "competitive" on the job market, is for them to work for less than the minimum wage.

Considering that the minimum wage is not enough as it is, for fully able people, how are disabled workers meant to cope? Surely with special needs, they need higher incomes? Or perhaps Mr Davies wants to increase their welfare benefits?

Of course not, the Con-Dems' plan to cut them - but Mr Davies is also in favour of the minimum wage being scrapped altogether. So, start with the disabled and then extend the screw to everyone?

### • Hit the sick? No way!

The Con-Dems' reform of the incapacity benefit system is designed to save £1bn over 5 years. And the sick and injured are being targeted. No doubt they think they will get away with it without facing too much opposition.

They want to put a time limit on allowances which, for instance, can be claimed by cancer patients receiving treatment. Their (up to) £94/wk in sickness benefit would be stopped after 12 months, whether ready to go back to work or not. Others, who become sick while at work, could be made to wait 6 months before being eligible for benefit.

Cancer support charities, which already do a lot of the work that should be done by the NHS, are campaigning to prevent these reforms. Yes, these reforms should be nipped in the bud, along with all the other attacks on the working class!

### • Working longer for less!

A survey of 5,000 workers has found that since the start of the crisis, one in five works longer hours - never mind that, in the meantime, unemployment is rising! 16% of workers had wages cuts. The general lowering of wages means that a third of workers cannot survive for a month if they lost their jobs. For those fortunate enough to remain in work, a further effect of low pay is that half

### • Letter from Sussex

#### **Shrinks to shrink job queues**

The Con-Dem's latest drive against the unemployed seems to be inspired by a "Brave New World" type of social engineering. Although there too, they are only following in Labour's footsteps.

Years ago, Blair's "happiness tsar", Lord Layard started campaigning for Cognitive Behaviour Therapy (CBT) to be made central to the jobs strategy. He finally got his wish. In "partnership" with voluntary and private sector contractors, Jobcentre Plus has now started by-passing GPs and referring the unemployed for sessions of CBT! Obviously the absence of jobs around the country is all in the mind...

CBT claims to alter people's patterns of thinking, lift mood, remove psychological barriers, etc. When Labour's Alistair Darling proposed adopting it in 2009, he said it would be self-financing, thanks to it effectively cutting unemployment! This was based on the estimate that 40% of the long-term jobless are depressed. Yup, and all it takes to conjure up real jobs - the kind which would lift depression - is a "positive attitude" conferred on the unemployed by CBT!

No question: these politicians are urgently in need of a shrink!

cannot save enough for retirement. Most can't afford the estimated £58/month extra savings it would take for them to have a minimal pension.

With the current high inflation and frozen (or shrinking) wages, things are expected to get worse - unless workers begin the long overdue battle to regain the ground lost to the bosses. The sooner this fight begins, the better!

## NHS

## Lansley's bent reform

Health Secretary Lansley has supposedly made a U-turn on his NHS "reforms" after general outcry forced him and PM Cameron to "pause" their Health and Social Care Bill in its passage through parliament. Their reforms would have abolished Strategic Health Authorities (SHAs) and Primary Care Trusts (PCTs) - which plan and ensure availability of local healthcare. GPs were to take over buying care from providers, after combining into "consortia", thus controlling

65% of the NHS budget themselves. They would have been obliged by NHS regulator, "Monitor", to consider private providers equally with public sector providers under "improved competition".

A hand-picked "Future Forum" which Lansley asked to review his Bill, reported on 13 June. So what has changed? Not a lot. The abolition of SHAs and PCTs timetable has been slowed down. GP consortia have been renamed "clinical commissioning groups", which will

now include other professionals. Lay members will have a say. As to central changes, "Monitor", will no longer have a primary duty to promote competition (i.e., private healthcare businesses), but will have to promote patients' interests! Which kind of begs the question: was "Monitor" meant to encourage private providers at the expense of patients interests, under Lansley's "pre-pause" plan? ☐

### • Sick hospitals

The number of hospitals in London, the south-east, south coast and north east England which cannot treat patients within 18 weeks of referral from a GP has doubled in the past year - to 51. The worst-performing area is Hastings and Rother - and yet this is precisely where cuts are being made (Eastbourne General is to lose its maternity department - which will be merged with Hastings General, among other things).

In fact various "think-tanks" like the King's Fund, which used to be a critic of government health policy, are now advising closure of hospitals and even more mergers, when hospitals are not able to meet their targets!

This will of course only make access to treatment even more difficult - not only increasing waiting times,

but also distances to travel.

Of course, the idea behind this is that privateers will come in and provide the services which the NHS cannot or will not provide, paid for by the NHS. But when the NHS is having £20bn (for starters) taken out of its budget over the next 4 years it seems more likely that "free at the point of use" services under the NHS may just disappear.

### • Mental health in danger

Psychiatry has always been neglected, deprived of resources and the first NHS service to be cut when the regular funding crises come round. This made it an unpopular specialty for young doctors.

Now there is a shortfall of 554 specialists (14%). Another 209 intend to retire soon. And the government's cap on immigration from outside the EU means that those overseas

doctors who previously would fill the gaps can no longer do so.

For some time, this has meant very poor conditions for patients, who literally have to share beds. Wards have 120% occupancy rates. Patients are sent on leave, to free up space for those acutely ill. Men and women share wards and facilities. Many patients feel unsafe and only 52% actually get a minimum of 15 minutes with a nurse or doctor every day. In-patient units can hardly be described as a "therapeutic" environment as higher suicide rates would confirm.

Of course this is a very dangerous situation. So what is the solution? Apparently the Department of Health's is to invest a derisory £400m over 4 years, while asking commissioning consortia to commission "more effectively" - meaning in the private sector, probably?

## Social care should be social!

Southern Cross, the largest private care home provider (752 homes; 31,000 patients) has collapsed.

Its problems came to light in June, when it couldn't pay the rent on its leased properties. It then tried to do deals to avoid closures. Now it seems other private care companies will take over the business.

Southern Cross was always the object of predatory speculation, making millions for shareholders on the back of taxpayers. After all, the social care budget was a cast-iron "investment", thanks to the government's obligation to the poor. Now, squeezed by the recession, care privateers have simply

cut back care, while viciously attacking staff wages and conditions to try to maintain profits. Never mind that profiteering out of social care should never have happened in the first place.

The government's Care Quality Commission had already voiced concerns over poor conditions in Southern Cross homes, largely due to under staffing.

Yet when financial problems arose, Southern Cross immediately announced 3,000 job cuts! Staff were asked to sign a new, more exploitative contract, when many already worked 12-hr shifts on the minimum wage.

Now it is not clear if they will

still have a job, let alone whether patients will have a bed! ☐





**June 30<sup>th</sup>****A warning shot!**

The public sector strike, on June 30th, was a success. 600,000 teachers, lecturers and civil servants were involved. Their action hit 11,000 schools, job centres, airports, museums, courts, Faslane naval base, and even the Metropolitan police, where over 90% of civilian workers were on strike. It went right to Cameron's door, with several workers from 10 Downing St on strike for the first time ever. 30,000 marched in London and thousands more through town centres around the country.

The government's attack on public pensions was the official reason for the strike. But those who stopped work and marched were concerned about all cuts to public services and attacks on all workers, including the downgrading of private pensions, which was used as justification to attack public pensions.

Despite the fact that the strike was only for one day and didn't even



involve the whole of the public sector, ministers, who had hoped it to flop, could hardly conceal their dismay. Their condemnations exposed their fear of what could happen if

this snowballs. All the more reason for workers across both public and private sectors to make sure there's a follow-up and the ConDem's worst nightmares are realised. ☐

**Local government strikes**

*On 30th June most council workers - although affected by all kinds of cuts, didn't go on strike because the main union - Unison - didn't call them out. But in some towns they had their own ballots and struck.*

• **Birmingham: against the "Martini" contract!**

In Birmingham, the city council (BCC) has been cutting jobs and services since 2004 - for instance all 29 adult learning disability residential care homes were closed - and care services for the elderly, for children and those with mental health problems, all cut.

Now BCC wants to impose a new contract on the around 30,000 council workers - no doubt after sacking

all 7,000 of their temps! This so-called "Martini" contract which would impose the ultimate in flexibility - you have to work any time, any place, anywhere, within your grade, but not necessarily in a job you have been trained for! It would remove allowances for working shifts, weekends and unsocial hours which means a pay cut of up to £6,000 for some. Quite rightly council workers intend to refuse to sign a contract which will cut their throats!

• **Southampton: allow nothing to move is the only way!**

Southampton rubbish removal workers, on the other hand, have been taking strike action for seven weeks at the time of writing against the council's attempt to get them to sign new contracts on lower wages and worse conditions. From 11 July other sections of council workers will join them for a 7-day strike, which could well block Southampton port - as port health officers won't be providing essential certification for liners, tankers and containers. Transport fleet maintenance workers as well as library workers, toll bridge collectors, parking officers and social care workers are joining them.

Similar attacks are taking place up and down the country, which begs the question - why are the union leaderships (Unite, Unison, and GMB) not attempting to actually co-ordinate action, in "unison"? On 6 July Shropshire council added itself to the list by sending sacking letters to all 6,500 of its staff saying it would rehire them only if they agree to a pay cut! Unison is threatening to ballot for strike. One has to wonder what they are waiting for.

**Southampton council workers take to the streets**



## Work longer, pay more, get less

Public sector pension "reform" means workers' contributions will increase by an average of 3.2% of wages over the next three years. Instead of being able to draw a pension at 60, retirement age will rise to 66 by 2020, and 68 by 2046. Pensions will no longer be increased in line with the Retail Price Index, but with the Consumer Price

Index, a measure of inflation which is usually lower.

The government's justification was that costs were escalating. But public sector workers already had their contributions increased and pensions downgraded. The Hutton report admits that the cost of public sector pensions is predicted to go down as a proportion of GDP,

not up.

So they fell back on another argument - it's not fair for the public sector to get better pensions than the private sector. Too true! Everyone should have a really decent pension which is fully funded through taxation - only it's the capitalist class which should be made to pay most of the cost. □

### • **MPs: Massive Pensions**

If public sector pensions are "gold plated" then how does one describe MPs' pensions? They have the most generous scheme in the public sector, still linked to their final salary and they get more generous incentives for increasing their contributions. As to submitting their own pensions to the reforms they want to impose on all other public servants, there seems to be no question of it.

The independent Parliament Standards Authority, which since the expenses scandal, controls MPs'

pay, was meant to take over control of their pensions as well. But guess what, the leader of the Commons, Sir George Young, has delayed the transfer. What is sauce for the goose, is evidently not sauce for these ganders.

### • **Gove's mums' army**

A few days before the teachers struck on 30th June, Michael Gove, Minister of Education had a "Big Idea". As he explained on the Andrew Marr Show: "*hardline unions*" were going to damage family life. He thought it would be good if parents helped out

in schools. This would save mothers a fortune in nanny and babysitting costs. Pressed on whether he meant parents should have a go and teach, he was less sure. But at least they should be in the classroom.

Problem was that Gove appeared to have forgotten that his department has very strict rules on vetting staff for criminal records. If parents just turned up, no head teacher could let them in without ensuring their checks were up-to-date. But just to do that would take at least 4 weeks and cost £68.36 per enquiry!

## Unison's strike ballot - an empty threat?

At long last, the giant public sector union Unison is planning strike ballots. At its conference, on 23 June, general secretary Dave Prentis warned David Cameron, 'You ain't seen nothing yet'. Days earlier, he had threatened the biggest strike since the General Strike in 1926, to halt public sector job cuts as well as attacks on pensions.

After the 30th June pensions

strike, however, the government had still 'seen nothing yet' of Unison leaders' determination to mobilise workers, except in a few places against council cuts.

While Prentis pledged 'support' for teachers and civil servants who struck, this never extended to even an attempt to mobilise Unison's 1.4m members to join them! And while he refers to 1926, when workers were

prepared to go all out until the government backed down, his plan is merely for one-day strikes 'rolling' from region to region.

In fact Prentis only made his strike threat "in case" the government failed to "heed our warnings" and "negotiate in good faith". As if there was anything to sit and negotiate, across the table with job slashers and pension thieves! □

### • **Secret pension talks**

A fortnight before the strike, Treasury chief secretary, Danny Alexander, blurted out the government's intentions on public sector pension. According to him, public sector workers "working longer and paying in more" for their pensions was a "fact of life". In other words, for the ConDems, this was a done deal.

Union leaders were incensed - because, as far as they were concerned, negotiations were still going on. But until Alexander spilled the beans, how many union members even knew that talks had been taking place?

The Treasury hastily disowned

Alexander's comments, saying they represented "suggestions", not "concrete policy". Too late - the cat was out of the bag. Public sector workers knew what the ConDems had in store for them and that the union leaders would be prepared to compromise. Unless forced to do otherwise...

### • **Anti-strike "Eds"**

Predictably, the two Eds - Balls and Miliband - were vocal in their opposition to the June 30th strike. According to Balls the strikers were falling into a "trap" set by government designed to take the public's eye off the failing economy. As for Miliband, he condemned the strike

three times in six days, in order to get his message across about the strike being "wrong" and motivated by what he called "megaphone diplomacy". On the day, the bare mention of his name provoked boos at union rallies up and down the country.

In fact, it was impossible to detect any difference between the ConDems and Labour leaders in their attitude to the strike. Which, of course, is hardly surprising since, in this crisis even more than ever, they're all willing to bend over backwards to defend the same social interests - those of a capitalist class which is determined to get the working class to pay for its system's crisis.



## Deepening housing crisis

Home ownership is shrinking. Repossessions of houses increased by 15% in the first quarter of this year, owing to reduced earnings and unemployment, according to Shelter. Meanwhile, fewer can afford a first mortgage. So with social housing provision cut to the bone, more and more people are looking to rent from private landlords. This sector has enlarged slightly,

but nowhere near enough to meet the increased demand. Landlords are taking advantage of this to put rents up, especially in already overpriced London and the South East. Private tenants claiming housing benefit stand to lose. In London, a survey found that 28% of landlords who responded had already reduced the number of properties they let to housing benefit claimants. Nearly

two thirds planned to 'reduce their exposure' to housing benefit over the next two years in response to government-proposed caps.

What is obviously needed is more social housing, at low rent. But all governments ever do, Con-Dem or Labour, is try to fiddle with the market, providing financial incentives to landlords and property magnates, which clearly cannot work! □

### • From official to "hidden" homelessness

Over the 3 years of the crisis, official homelessness has been increasing by 1,000 a year. The homeless charity Mungo, which helps 10,000 each year, exposes this figure as a gross underestimation.

Then there are an estimated 20,000 squatters, the "hidden" homeless, like those sleeping on a friend's sofa, not to mention overcrowded families, etc., all of whom are not counted.

But all of this is due to get a lot worse. The Con-Dems are cutting housing benefit, and cutting

homeless charities' funding (many will have to close). This, when they themselves know that an additional 40,000 stand to lose their homes due to their changes to housing benefit alone.

It's ironical then, that mayor Boris Johnson has pledged to end all rough sleeping in London by 2012, in time for the Olympics.

But how? Does he plan to accommodate the homeless alongside the athletes in the new luxury flats of the Olympic village? We'd support that!



## Gas inflation driven by profit

Scottish Power announced price rises of 19% for gas and 10% for electricity in June, followed by British Gas in July with hikes of 18% and 16%. The other 4 big energy companies are expected to follow. Energy Secretary Chris Huhne reacted to the price hikes by saying customers should "shop around", but

who knows by how much the next supplier will put its prices up?

Huhne wants changes more small players in the British energy market. But hang on - wasn't privatisation supposed to provide that? In fact the current energy "market" which Huhne want to reform, was an artificial creation following privatisation,

supposedly regulated by Ofgen. This same Ofgen rubber-stamped rise after exorbitant rise in domestic bills. Which has guaranteed nothing but the energy companies' profits, including British Gas's £742m last year - while its parent company Centrica saw its profits rise by nearly a third to £2.3bn! □

### • Free to... parasitise state funds

Private companies are getting ready to take advantage of the money-making opportunities in the government's "free school" programme. When the ConDems introduced the idea, it was billed as a way of empowering parents who were unhappy with the existing state schools in their area. Groups of parents, teachers, charities, etc., could apply to set up a free school and such schools wouldn't have to follow the national curriculum nor abide by nationally agreed pay and conditions for staff.

Free schools as such are not allowed to make profit. But the founders are allowed to contract out the management of the school to a profit-making company. It's hard to imagine how

a group of parents would manage to run a school, with all the financial and employment duties, never mind the educational ones. So "education management companies" see themselves getting lots of lucrative contracts.

According to Education Secretary, Michael Gove, "Free schools offer a genuine alternative" - yes, an alternative way for the private sharks to get their teeth into education!

### • Elite college for the very rich

A new private university to be called the New College of the Humanities is due to open its doors to students this autumn. Even though it is registered as a charity (so is Eton college for that matter), parents will have to dig deep as fees are £18,000/year, though

there will be some scholarships for poorer students.

Headed by philosopher, Professor A C Grayling, the list of "star" professors includes Richard Dawkins, who's made a fortune out of scientific popularisation, and Niall Ferguson, a multi-millionaire apologist for British and American imperialism, old and new - both representatives, in their own way, of reactionary currents in thought.

Claiming that the whole idea has been brought about by the decision of government to stop funding humanities teaching at universities, Grayling and his mates will have created a university for the rich every bit as elitist as Eton - from where, no doubt, many of its 200 intake will come.



## Railways

## No curb on the rail racketeers

When the railway was privatised in 1994, the justification was that it would reduce the cost to the taxpayer. But, in fact, the opposite happened. The government's subsidy to the railways more than tripled between 1994 and 2008, to over £5bn. The McNulty report, just published, was commissioned to find ways to cut this cost.

Far from recommending a

reversal of the costly privatisation mess, McNulty wants to give private train operating companies responsibility for the infrastructure on their routes - all in the name of cutting costs. He doesn't see the profits which are at present siphoned off, thanks to the subsidy, as a problem. No, the real reason for escalating costs, according to him, is workers' wages and

conditions!

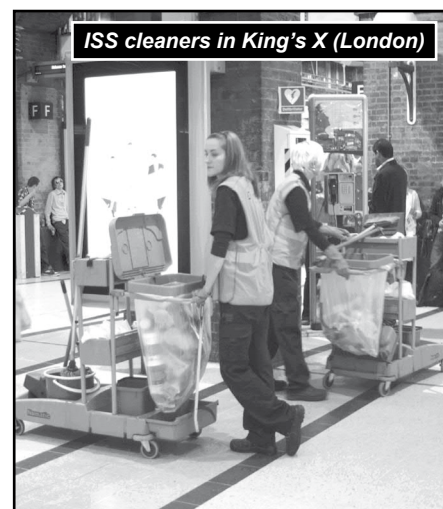
All this is just heralding another cost- and investment-cutting exercise, on the backs of workers and passengers, who've seen the high price of that before. As if there was anything wrong with a vital service like the railways being publicly funded - provided, of course, that the private sharks aren't allowed to take any cut at all! ☐

### • Harking back to the 19th century

McNulty's report elaborates on the "significant changes" in store for rail industry "people". To his horror, he discovered that railway workers get wage rises in line with inflation. This has to stop, in his opinion. He obviously didn't consider the many rail workers working for sub-contractors on the minimum wage - like those who clean East Coast trains, employed by ISS, who haven't had a wage rise for 11 years, except when the minimum wage was increased. He thinks it would be ideal if all rail workers' wages could sink to the same level! He also thinks that working hours are too short - in an industry

notorious for long, unsocial hours and wants more "flexibility" and "productivity", as well as pension cuts.

Transport Secretary, Philip Hammond, echoed this nonsense about out-dated working practices, declaring that "a 21st century rail network needs 21st century employment practices". But neither Network Rail nor the private rail companies need any encouragement - they've been slashing jobs and attacking wages and conditions for years. Which is why working practices are indeed out-dated - in the sense that they're headed towards Victorian times!



### • Putting the foxes in charge of the hen house

A Rail Delivery Group has been set up to push through McNulty's cost-cutting. It's made up of the chief executives of passenger and freight operating companies and of Network Rail. The chair is Tim O'Toole, of FirstGroup, which runs services in Scotland and the Pennines, and between London and Oxford, Bedford, Brighton, Hull, South Wales and Cornwall.

For the First Great Western

franchise - FirstGroup undertook to pay the government £1.13bn over the course of a 10 year contract. £826m of this was to be paid in the last three years. But they had the option to give up the franchise in 2013, after just seven years. This they have duly done, ducking their obligation to pay the £826m. And although they paid the government £128m last year, they also received £141m

in public subsidy, to compensate them for revenues falling short of what they'd projected in their original bid.

O'Toole is clearly very good at saving money - FirstGroup's money, that is, not public money. And he, together with his fellow rail bosses, is supposed to help reduce the government subsidies on which they have all been growing fat??

### • Teflon bosses

Railtrack and Jarvis were responsible for the fatal Potters Bar crash, but they were never held to account. It was Network Rail - Railtrack's publicly-funded successor - which picked up the £3m fine.

So, along with the victims and their relatives, the taxpayer has paid for the profiteers' safety failings.

But after state-controlled Network Rail took over, dodgy

practices went on. Network Rail's bosses were accused of malpractice - including that Network Rail had paid hundreds of thousands of pounds of public money to a business owned by the company's then director and subsequent CEO, Iain Coucher, and another director, Victoria Pender. A lawyer named White who was brought in to investigate, found that everything was above board - a White wash, you might say!

But it can't possibly have been a coincidence that both Coucher and Pender suddenly left Network Rail after the story broke (Coucher with a pay-off of £641,000 on top of his £1.25m annual pay!).

The lesson seems to be that, whether under private or state control, the public is bound to foot the bill for the sometimes lethal parasitism of those in charge - that is, unless workers impose vigilant control over their activities.

**King's Cross railway station (London)****• Giant cow-boy**

Today's facilities services multinational, ISS, began as a small security outfit in Denmark in 1901. It is now a giant; the world's 4th largest employer, with around 525,000 employees in 50 countries and a turnover of £9bn.

In Britain it has 43,500 employees, specialising in services like catering, cleaning or security. Hardly a small cow-boy outfit. Yet, in King's Cross station, where it employs over

100 cleaners, it hasn't provided workers with a basic legal requirement like a contract of employment, nor written terms and conditions. And no matter how vastly rich ISS may be, most of its workers are on the minimum wage!

No wonder its British operations made a profit of over £21 million last year. Seems like it's high time all of us ISS workers got on our high



horses, unsaddled these bandits and took back what's ours. After all, what could a few cow-boys do against 45,000 workers?

**• How not to win friends**

On May 26th, a train lost power and got stuck between St Pancras and Kentish Town during the evening peak. It wasn't moved for 3h, during which passengers had no air-conditioning and no information. No wonder some of them used the emergency door release and let themselves out. It was just luck that no one was killed. On that same day, Network Rail and FCC managers were meeting a passengers'

group in St Albans - did they get out alive? [King's X Workers' Platform - 14/06/11]

**• We will apply the brakes**

It was hardly believable that ISS management decided to suspend one of our workmates, who's worked here for 39 yrs, for picking up and putting down a croissant. But now they have sacked him! Despite rumours to the contrary, he hasn't been reinstated - but we're determined to ensure he is. These managers are out of control and must be stopped.

[King's X Workers' Platform - 14/06/11]

**• Great to have him back**

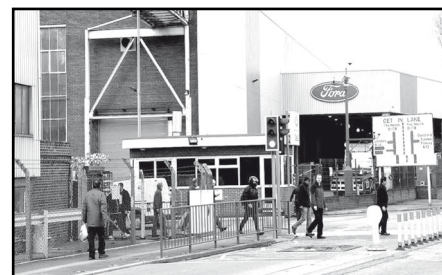
The tanker sacked by ISS got his job back. And quite right too - he should never have been sacked in the first place. No doubt ISS thought they could get away with this without being challenged. But when they saw that over 400 of us were right behind him, they got a bit of a shock. They'd better watch their step from now on! [King's X Workers' Platform - 28/06/11]

**Ford Dagenham estate (Essex)****• Refusing Ford's dirty money**

It is unheard of: workers downing tools because they've been paid extra money!

But this is what Stamping and Tooling Operations workers in Dagenham did on 30th June - for over 2.5 hours - when they saw their pay slips. A so-called "compensation" payment had been paid by Ford after it cut pensions, via the imposition of the CPI as the link for increases from April this year.

The majority of workers were against the CPI being accepted and initially the collective national union body (FNJNC) actually threatened a strike ballot. But in April, it secretly went above workers' heads and signed an agreement involving 5 lump sum payments being paid to workers over the next 3 years, starting this June, at the rate of 2% and 3% of annual salary to "compensate" for the cut in pensions.



Existing pensioners are already shafted and will get nothing! Ford's "compensation" amounts to nothing more nor less than a bribe not to strike. But as the S&TO workers, backed by one sole union official who dared to break ranks, said: the FNJNC does not speak for us!

**• JWC doesn't speak for the workforce**

In fact in the new engine plant we also took some action on Thursday: We organised our own "vote" of "no confidence" in the convenor and works' committee! Of course, presenting this petition to the union leaders isn't going to make them stand down - and the higher up the union leadership ladder they climb, the more distant from us they get and the less likely they are to give a damn about what we think! No, we're going to have to take our own steps to organise ourselves - and

for action! [Workers' Fight Ford Dagenham 5/7/11]

**• Pensions sleepshop postponed**

Amazing. We've never been so "well" informed, nor so confused! The DEP stewards bulletin keeps appearing, and telling us different dates for meetings of the negotiating team on pension. The one tomorrow is now postponed. Apparently the S&TO convenor is to blame again! But the DEP con-artist also let the CPI cat jump right out of the bag. All along when he told us nothing was decided on CPI he

was lying. He now admits the NJNC already accepted the CPI behind our backs in April!! And now they think they've buried our fight? They're well-mistaken! [Workers' Fight Ford Dagenham 5/7/11]

**• Do they know what we want?**

The majority of us don't want this money Ford gave us instead of RPI linked pension increases. But we weren't even asked. That's what really sticks in our throats. If Ford has "extra" money (it's all bled out of us) we would rather it went in the pension (or strike) fund! [Workers' Fight Ford Dagenham 5/7/11]



**Mount Pleasant mail centre (London)****• Led up the garden path**

When 79% of us in London voted "yes for strike" in May, we meant yes. We knew a fight was needed - against all RM's attacks, not just London office closures, with over 1,000 job cuts, transfers and loss of conditions. Union officials had a different agenda. Snubbed by RM and left out of discussions on London reorganisation, they claimed RM lied over "no compulsory redundancies". The strike threat got RM to invite them back to the top table. When this

was achieved, they claimed to have "won" a pledge against "compulsory redundancies" and revoked the threat! On 17 June, after 3 weeks of secret negotiations, we were presented with an "agreement" already endorsed by branch executives. We were not asked to vote. It was signed and sealed.

The cuts and transfers are still there. Union officials will now implement the changes alongside bosses. Some would put it more crudely: they



used us as ballot-fodder to get back in bed with RM. The need to fight remains - but when we do, we'll need to organise our own ranks and leaders first.

**• What's been lost**

By caving in like this for the sake of being recognised as "big stuff" by the RM bosses, the chance for turning a London action (and London can and should take a lead) into a national one was given up.

So now union leaders have let down our workmates in relatively isolated offices up and down the country who are trying, valiantly, on their own, to make a stand against RM's attacks. What are we going to do to

remedy this? [Workers' Fight, Mount Pleasant 28/06/11]

**• A slip of the pen?**

In the Agreement, we were startled by this: "...Royal Mail confirm that London Mail Centre rationalisation will be completed with no compulsory redundancies for permanent CWU represented employees." We asked about it and were told it doesn't mean that non-CWU members could be targeted for compulsory redundancy. But if so, then surely those who signed it should go back and rewrite it!

[Workers' Fight, Mount Pleasant 28/06/11]

**• Hell no, we won't go!**

Well, one way of refusing RM's lousy plan is to say a loud and collective NO to the Voluntary Redundancies in each office. If we won't go and they've agreed no "compulsory" redundancy, then they'll just have to accommodate all of us. And that will be great big spanner in their works. Preference exercise? We prefer to stay right where we are. [Workers' Fight, Mount Pleasant 28/06/11]

**BMW Mini centre (Cowley, Oxford)****• £500m for the Mini comes at a price**

BMW's announced investment in a 3rd generation Mini was greeted with much media fanfare last month, with Cameron in attendance. This failed to impress the workforce.

At Cowley, preparation for a parallel body shop started months ago. Workers know it won't create a single new job. But this will keep them working on the old Mini until just before the switch over to the new one! In any case, with lines racing along for 10 years and break downs more and more

frequent, investment was obviously overdue at both Cowley and at the Swindon plant.

At the Hams Hall engine plant, near Birmingham, BMW had suggested to union negotiators that the future of the plant was not secure, even though it is only a few years old and built over 385,000 engines last year! But that was in order to get union officials to swallow the bait and agree to a deal introducing shortened breaks and a two-tier workforce.



One thing's for sure: not only will BMW's £500m "investment" not create one new job, but it won't improve conditions either!

**• We have homes and beds to go to!**

No sooner have BMW shortened our hours than they are extending them again. Owing to a breakdown in the Paint Shop last week, they say, Assembly are being asked to do Volume Protection Overtime (VPO) on lates. But instead of telling us for how many shifts, we are to be informed day by day.

This sounds like a licence for BMW to do what it likes. And time for us to start putting our (collective) foot down! [BMW Cowley - 14/06/11]

**• Fine tuning - not at our expense**

Paint Shop managers say the new shifts create a shortfall of around 100 cars/shift, and that an extra 1/2h at the end of lates, presumably Mon-Thur, will compensate. To make this more "palatable" they've hinted that we might not work any Saturdays on WTA (working time account) this year. In Body-in-White, the story is that managers are considering whether/ how to cut production - by reducing shifts or returning to fixed breaks, for instance. Rumour has it they'd prefer to get rid of more temps. If BMW can't

get their sums right, why should we carry the can? [BMW Cowley - 14/06/11]

**• Thyssen Krupp to the cleaners!**

Around 1 in 3 cleaners was sacked by Thyssen Krupp, the last cowboy on the block. Cleaners only get minimum wage and are expected to do massive overtime - on a 57p/h premium! Now the union has explained how it intends to go through legal channels to regain recognition and fight for a proper living wage for these mates. We all hope that TK is made to back down - and making BMW fear that we might get involved is the best way to get there! [BMW Cowley - 28/06/11]

## Greece - let the capitalists pay for their own debts

The last days of June saw the latest of a long series of strikes and protests across Greece, against yet another austerity plan, whose only purpose is to ensure that the loans made by the big Greek and European banks are repaid in full.

The situation of the Greek working class has become unbearable. 1 worker in 6 is unemployed (800,000, out of 5m) and 2 out of 5 among the youth. Yet the

government wants to cut another 150,000 public jobs, while the planned privatisation of dozens of state companies is certain to result in even more job cuts.

Despite a 20% cut in workers' living standards as a result of previous measures, new taxes are to be introduced, while VAT will nearly double on many basic products and services - i.e., another 10% cut in living standards!

The Greek working class can't and won't pay for the bankers, the capitalists and other speculators - Greek and foreign - who've pushed the country into bankruptcy with the help of corrupt politicians.

This is what the tens of thousands of workers, youth, jobless, and pensioners who have been flooding the streets of Greece are saying. And they are right! ☐

## Northern Ireland - the crisis and the Irish question

On 20th and 21st June, mobs led by the loyalist "Ulster Volunteer Force" attacked the Short Strand, a catholic enclave in protestant East Belfast. The attackers used Molotov cocktails, paint and smoke bombs, while the attacked defended themselves with bricks and iron bars.

Like during the "Troubles", these attacks have everything to do with social degradation. Construction and government funding - the largest local sources of jobs - have all but collapsed, leaving Northern Ireland one of the UK's worst employment black spots. With their dilapidated streets, boarded-up shops and rising unemployment, Belfast's working class districts are, more than ever, derelict ghettos.

In East Belfast, gangs like the UVF live off rackets of all kinds, while the British state looks the other way, in case they might come in handy, once



again. These gangs are now using the crisis situation to fan the reactionary prejudices on which they thrive, in order once more to rule over their own ghettos. They will have to be dumped in the dustbin of history where they belong.

But this will only happen if the working class unites its ranks across Ireland, to fight off the capitalist attacks during this crisis and, by the same token, ends the historical aberration of Ireland's Partition. ☐

## • Health giant's hypocrisy

GlaxoSmithKline proudly announced it will invest £3.5m this year, to provide healthcare to Africa and other poor countries in a scheme to return 20% of profits made in those countries - a rise of £700,000 over last year, when the scheme began.

These figures need to be put into context. Over the first three

months of this year alone, Glaxo made £2.5bn profits worldwide. This means that, for every £100 earned in profits, Glaxo is "generously" returning just over 3p to Africa!

As the company's CEO Andrew Witty pointed out, "<i>this is a very small amount of money. We

have never intended for people to see this as anything other than a small amount of money</i>". He should know - as his pay last year was £2.3m, after the £8m in pay and share awards he received in 2009! For the likes of Glaxo, one single CEO is worth far more than one billion Africans! ☐

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](mailto:contact@w-fight.org), or by postal mail at:

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