

# workers POWER

*Private bosses queue up to rake profits from education, health and pensions*

# Welfare state: safe in Labour's hands?



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## Sudan, Afghanistan: Clinton is the real terrorist

CLINTON CALLS it the "war of the future": the US military trades long-range pinpoint blows with Islamic militants across the third world while the FBI and CIA comb the alleyways from Albania to Mombasa in search of suspects. Meanwhile, "the enemy" – in the shape of medieval-garbed Arab millionaires – lurks ready to strike.

The cynical press meanwhile see it as yet another war to distract attention from the sex scandals that have

paralysed the Clinton administration.

In fact, this conflict – which has claimed the lives of hundreds of civilians – is just another battle in the past and present war the USA is fighting to keep the third world, and specifically the Middle East, totally subservient to its rule.

Clinton is not just firing off rockets to distract America from the Lewinsky scandal, but to send the deadly serious message to all opponents of imperialism: America still rules the planet.

Thousands of people across the Arab world went on to the streets to protest at the USA's cruise missile strikes on Sudan and Afghanistan. The vast majority do not support the Islamic fanatics who planted the bombs in Nairobi and Dar-es-Salaam. But they see US imperialism – rightly – as the enemy which bleeds their countries dry, which backs the racist state of Israel, and which will use its military power to ensure that the vast oil wealth of the Middle East can

never be used to benefit the lives of the millions who live there.

And how does Britain, with its "ethical foreign policy", respond? Before the fires were out at the Sudanese chemical factory that the US missiles flattened – a factory that produces more than half the country's medicines and which all the evidence suggests had nothing to do with chemical weapons – Blair was on the airwaves, backing Clinton to the hilt.

We should mobilise to force the gov-

ernment to stop backing US missile murder. Trade union and Labour Party members should rush resolutions to the Labour HQ demanding Labour condemn US aggression and stops collaborating with it.

While socialists give no support to the religious fanatics who bomb civilians we do stand with every legitimate mass movement that fights imperialist rule.

■ Why Sudan? – page 9

## IN BRIEF

**RMT MEMBERS** at Euston station are voting on further strikes against GTRM, the privatised track maintenance company. The ballot follows two days of unofficial action in defence of union activist Steve Hedley – sacked by GTRM on trumped-up charges. RMT General Secretary Jimmy Knapp disowned the unofficial walkout, instructing members to return to normal working.

Jimmy Knapp's swift repudiation of the unofficial action has sparked anger among RMT members at GTRM and beyond. In a bitter letter to Knapp, Steve's branch secretary Don Nicolson wrote: "you . . . chose to undermine the solidarity of RMT members trying to defend their own rep."

■ For information and to invite a speaker, please ring 0181 374 4079. Donations c/o "RMT Strike Support Account", 58a Wareham Road London N4 1AT

**ESSEX FIREFIGHTERS** look set to escalate their long-running action against the local fire authority. An FBU mass meeting voted for a week-long walkout for early September. If the authority still refuses to rescind 16 redundancies, members will ballot for an indefinite strike.

FBU members have staged nearly 30 strikes over the last three months. The longest to date lasted 48 hours as a result of still another lock-out by Essex bosses. Management have shelled-out millions on Army Green Goddesses at a cost far exceeding the supposed savings from job cuts. The Essex authority is leading a national offensive which demands a national response from the FBU. ■ Donations to Essex FBU, 26 Atlantic Square, Station Road, Witham Essex. Telephone 01376 521521

**COLLEGE EMPLOYERS** have offered NATFHE members a below inflation pay rise and a "national framework agreement" that would allow class contact time up to 27 hours a week, while doing nothing to improve the conditions of the growing number of trainers and instructors.

NATFHE negotiators were split on the offer and have put it to the membership without a recommendation, but General Secretary Paul Mackney has made it plain that he views the deal as the best obtainable.

In response to this threat to existing local agreements, the 3 October FE sector conference should launch a campaign for rejection, combined with a fight for industrial action up to and including an indefinite national strike.

**THIS MONTH** the socialist youth movement **REVOLUTION** launched "Equalise!" – a militant campaign against the lower minimum wage for 18 to 21 year-olds and the exclusion of all workers under 18 from any protection at all. We urge all youth to join this campaign. Ring 0181 981 0602 for details.

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## ASYLUM

# Fight Straw's racist asylum White Paper

JACK STRAW, Labour's Home Secretary, claims to be against racism. He even promised to reform the worst aspects of the Tories' racist Immigration and Asylum Act when Labour got power. He lied.

The White Paper introduced by Straw in late July, *Fairer, Firmer and Faster: A Modern Approach to Immigration and Asylum*, confirms New Labour's determination to press ahead with the racist scapegoating of people fleeing civil wars, brutal oppression and persecution.

The media focused on a so-called "amnesty" for up to 30,000 asylum seekers – many of whom have been in Britain for five years or more – but the essence of the White Paper is a thinly disguised attack on existing asylum seekers, combined with a series of measures to deter almost anyone from seeking refuge in Britain.

Even Claude Moraes, head of the liberal Joint Council on the Welfare of Immigrants and himself a mainstream Labour Party member, commented that "the government's principal audience when it comes to framing policy on asylum seekers seems to be the readership of the *Daily Mail*".

The Tories' legislation strips asylum seekers who apply for refugee status after arriving in Britain of the right to claim income support and housing benefit. The Major government imposed the same draconian measure on those who were appealing initial refusals.

Instead of restoring benefit rights, New Labour's White Paper proposes to strip all asylum seekers of the right to

claim social welfare benefits. The Home Office paints an image of many asylum applicants as calculating cynics, who believe that Britain is a "soft touch" for economic migrants waiting to sponge off our supposedly generous welfare benefits.

Meanwhile, the government turns a blind eye to the plight of Roma refugees from the Czech Republic. Since 1993 at least 29 Romanies have died there at the hands of skinhead thugs. According to not only Amnesty International but the US State Department, there is open and systematic discrimination in almost every aspect of daily existence.

Meanwhile in Britain, with its "anti-racist" Home Secretary, Czech and Slovak Roma wind up in Kent's Rochester prison for the "crime" of seeking asylum. And New Labour's rhetorical attacks against "migrant scroungers" embolden the pathetic ranks of the National Front to stage hate marches on the streets of Dover.

Citing "fraudulent" claims, the White Paper indicates New Labour's determination to amend the 1948 National Assistance Act. Under this local authorities have a legal obligation to provide a minimum level of support to adult asylum seekers who would otherwise be destitute.

This measure is a transparent sop to those, often Labour-controlled, London authorities which have provided subsistence to the vast majority of penniless asylum applicants since the 1996 Act took effect. In place of local authority provision, the government will

almost certainly propose the creation of a national agency under the aegis of the Home Office to oversee the administration of a "support in kind" system and the dispersal of asylum seekers away from Greater London.

Jack Straw and his immigration minister Mike O'Brien envisage a cheaper and nastier version of the German "solution", with asylum seekers confined to hostels in areas with tiny ethnic minority populations, vulnerable targets for attacks by extreme racist and fascist thugs.

The White Paper also highlights the government's obsession with promoting market competition since local authorities would be invited to bid alongside housing associations, voluntary sector organisations and profit-spinning companies for the right to manage hostel facilities under contract from the proposed Home Office agency.

But the introduction of the "support in kind" system for widely dispersed groups of refugees is only one among many reactionary proposals contained in the White Paper.

The Home Office has brazenly pressed ahead with the extension of current detention procedures. Detention in facilities such as Campsfield will become the norm for asylum applicants who are appealing an initial refusal of refugee status.

Outfits such as Group 4 will have more opportunities to profit from the public purse – despite the thorough exposure of its rotten standards in the Campsfield Nine case in June, when the

government's court action against nine detainees supposedly guilty of rioting collapsed.

Other features of New Labour's approach include:

- the extension of pre-entry controls at overseas ports in order to block travel by those with "suspect" documents;
- tougher enforcement of 1987 Tory legislation that makes passenger carriers liable for transporting people with false or inadequate documents;
- increased power for local registry offices to "stamp out bogus marriages";
- a sweeping extension of immigration officers' powers to search, enter, seize and arrest.

This last proposal is among the most sinister. The granting of police powers to immigration officers, who are subject to even less scrutiny than the police, gives the green light to harass both asylum seekers and even black people with full citizenship rights.

The legislation arising from the White Paper is unlikely to go before Parliament until late this year or early 1999. Socialists and anti-racist campaigners must use this time to mobilise determined opposition.

In the unions a concerted effort must translate the progressive paper policies of Unison, the Fire Brigades Union and others into a militant fight against New Labour's White Paper and for the unconditional repeal of the whole of the Tories' 1996 legislation.

## POLICE

# Report reveals police racism

IT'S OFFICIAL, the police are racist.

Doreen Lawrence is the mother of Stephen Lawrence, the black teenager murdered by white racists who escaped justice because of a racist police force's indifference. She justly denounced institutional racism in the police and wisely advised black people not to join them. But for some reason most of the media failed to report that the police's own figures support her view.

The monitoring organisation, Statewatch, has published a detailed analysis of the Home Office's own figures for "stop and search", arrests, cautions and homicides, collected under the Race and Criminal Justice System 1997. While this reporting system is flawed, as it relies on the police officer to identify a person's ethnic origin, it is an improvement, allowing for a systematic assessment of the degree of discrimination by the police forces.

The Metropolitan Police force – the largest in the country and notorious for the death in custody of several black men – still failed to provide detailed arrest figures. But by the end of August, the Met had published its own admission of "racial prejudice" in its stop and search practices.

Nationally, the figures show that black people are four to five times more likely to be stopped by the police than whites. Asians were also much more

likely than whites to be stopped. For arrests the difference was even more marked. Black people were four to seven times more likely to be arrested than whites, yet a subsequent Home Office report revealed that further action against black people detained by the police was far less likely.

The use of stop and search powers varies widely among the English and Welsh police authorities. The average stands at 14 per 1,000 whites and 108 per 1,000 blacks. But for Merseyside it is 189 per 1,000 black people. This means that on Merseyside nearly one black person in five may be stopped and searched annually. As black youth are far more likely to be the target of such tactics, the average search rate for young blacks is undoubtedly much higher.

Arrest rates mirror this pattern: for white people it is 34 per 1,000, but for black people the figure soars to 155 per 1,000. For Asians the arrest rate is 47 per 1,000 and for other ethnic groups 67 per 1,000. In seven police forces the arrest rates for black people exceed 200 per 1,000. Again, these approximate to arresting one in five black people annually.

These figures translate into a brutal regime of everyday racist harassment and violence by the police on the streets. Entire black communities become

prime targets for the police because they are black.

Yet the Police Federation and Home Secretary Jack Straw insist that the police are not racist and have conveniently ignored the Statewatch report. New Labour has no interest in cracking down on police racism. After the enquiry into the murder of Stephen Lawrence demonstrated the scale of police racism, it is no wonder that the embarrassing findings of this report have been hushed up.

Jack Straw may require a few notoriously racist officers to retire early, but he will not want any more serious action. This would undermine police morale

and "operational efficiency", and Jack Straw knows he needs the police, not only to carry out the day-to-day oppression of black youth, but as an effective force in the event of more widespread civil unrest.

Doreen Lawrence is right: the police are racist. The recruitment of a few more black officers will not make the force less racist, but will simply provide more effective cover for the racists. Jack Straw must be forced to dismiss racist officers and prosecute the police killers who took the lives of Shijie Lapite and Ibrahima Sey, as well as those responsible for the botched Lawrence investigation.

This will not change the fundamental nature of the police. Nor will it stop police attacks on black communities.

In the last analysis they are racist because the capitalist state relies on racism to divide the working class and to justify military actions against semi-colonial countries. The police cannot be reformed but must be smashed and replaced with a working class militia, made up of and accountable to the communities themselves. And a step towards this today is supporting the organisation of the self-defence of black communities against racist attacks – by racists, by fascists or by the police.

### RACIST POLICE

- ON AVERAGE:**
- 108 per 1,000 black people are stopped and searched; for whites the figure is 14 per 1,000
  - Arrest rates for black people are 155 per 1,000; for Asians 47 per 1,000; for white people 34 per 1,000
  - In seven police forces the arrest rates for black people exceed 200 per 1000

Blair and Clinton lead search for a kinder sort of capitalism

# The third way is the bosses' way

A week before the Labour Party conference Tony Blair will join Bill Clinton in New York for a one-day international conference to launch their shared "Third Way" ideology. **Helen Watson** cuts through the hype to see what this Third Way really means

**T**O DATE the idea of a "Third Way" between state intervention and rampant Thatcherism has been largely rhetoric, part of New Labour's attempts to distance Blairism both from the Tories and Old Labour.

As Robin Cook remarked: "It is a political project as distinct from the individualist politics of neo-liberalism as it is distinct from the corporatist ethos of old-fashioned social democracy."

Last month, in a contribution to a "virtual conference" on the Internet, Home Secretary Jack Straw argued that "the new Clause 4 is the Third Way – a clear, coherent route between the Right (especially the nineteenth century Liberal New Right) and the old, neo-Marxist Left".

The problems start when you try to pin down exactly what specific policies sum up the Third Way in Labour's case.

Earlier this year Margaret Beckett, then President of the Board of Trade, wrote in *Tribune* about the Third Way's industrial policy. She rejected any positive attachment to state ownership and stressed instead the virtues of a future built on the three pillars of competitiveness: "strong markets, modern companies and building an enterprising nation".

For New Labour "globalisation" (i.e. unrestricted flow of private capital across borders) means that national economic policy can no longer insulate companies and workers from international competition. Competitive markets are essential because they are the only way to improve productivity, innovation, keep pricing and investment.

Beckett's only argument with capitalism is over monopolies, which she believes weaken innovation. Government's role is to create the conditions in which the private sector operates to its full potential, and this can include anti-monopoly and "fair employment" legislation.

While Labour has always defended capitalism as the source of wealth creation – and profit-maximisation as the motor force of the economy – there are two new elements in New Labour's Third Way: the abandonment of using economic policies (e.g. tax and benefits) to redistribute the wealth created; and secondly, a radical narrowing down of the state's role in the provision of welfare services and public goods.

In the main New Labour's ideology is little more than a rationalisation of the "reforms" brought in during two decades of neo-liberal ascendancy and of the collapse of the Stalinist economies. Privatisation has already massively reduced state-owned and run industry, financial deregulation has qualitatively increased the volume and speed of capital flowing across national frontiers, the application of new technolo-



Blair and Clinton need new ideology to attack welfare

gies has reduced the restrictions of time and space traditionally imposed on the location of production.

For most of the 1980s and early 1990s this went alongside defeats for the labour movement. It proved incapable of resisting increased levels of exploitation in many parts of the world. In response, reformist governments have accepted the IMF argument that the new conditions in the global economy reduce their room for manoeuvre at the national level.

But at the same time social democratic and labour parties do not have exactly the same political programme and ideology as conservative or Christian Democratic parties. They do not believe in simply leaving the market to its own devices. Jack Straw last month rejected Thatcherite economic doctrine "with its elevation of the power of money as some sort of moral principle". Rather, the "Third Way recognises the need for much more active social intervention to moderate, and in some instances stem the impact of market forces". Straw argues that unbridled capitalism – Thatcherism – both increased dependence on the state and undermined social cohesion.

In one sense the Labour Party and other social democratic parties have always tried to steer a course between the "free market" and a totally state-owned economy. But between 1945 and the mid-1970s Labour was explicitly committed to Keynesian doctrine, which included an explicit role for government in the creation and expansion of economic demand through public spending on housing, infrastructure and public works. Full employment (never achieved) was seen as an essential element of this demand management.

Now this has been abandoned in favour of explicit neo-liberal measures.

Even the right-wing Old Labour ethos of "equality of opportunity", first espoused by Tony Crosland in the 1950s, is turned to New Labour's purpose by being explicitly counterposed to "equality of outcome". Labour's New Deal is the concretisation of this. While the Third Way retains the social democratic (and even liberal) commitment to a measure of state provided welfare for the sick, people with disabilities and older people, it effectively abandons any commitment in principle to support people out of work: rather, it sees its job as forcing them back into work.

The Third Way employment policy is fundamentally an attempt to provide cheap labour for capitalism and not to provide (inadequate) protection for workers who fall victim to the ups and downs of the capitalist business cycle. Expanding nursery education and thereby releasing a greater supply of low-skilled, low paid female labour is an integral part of this.

Similarly, Blair's commitment to "education, education, education" is straight out of the locker of 1950s Labourism but once again with a Third Way twist. Then it involved measures to boost the quality of free primary-to-tertiary state education as against the pre-war education system that denied access to the masses and was ordered on the basis of wealth and privilege. Today, it means drawing in private businesses into resourcing schools and shaping the content of the curriculum – hence the Education Action Zones and Private Finance Initiative.

The same goes for the provision of services by local government. Whether these services are public or private is of no concern to Labour. They must simply cease to be a burden on the Treasury by becoming cheap – or Best Value, as they call their replacement for Com-

pulsory Competitive Tendering. Local government minister Hilary Armstrong candidly explained: "We have an open mind on whether services are delivered by the private sector or directly within the public sector."

The other main thrust of the Third Way is social policy. All the bourgeois parties want major reform of the welfare state. Labour developed the key planks of its approach prior to the election. Their talk of rights, responsibilities and citizenship are the gloss for plans to shift further towards privatising welfare. As Meghnad Desai, Labour peer and professor of economics, has said:

"... the provision of certain public goods, especially health, education and housing, will again be a battlefield of contention. The pressure is on for privatising the provision of public goods, while keeping the purchasing with the state."

Rather than universal entitlement to benefits, for example, they want to have all individuals doing as much as they can to provide for themselves. This includes welfare to work, in which low paid jobs are the alternative to benefits, even though they may cost the government as much if not more through subsidy to private business. Individuals will be expected to take responsibility for investing in their own pensions and, most probably, insurance to cover sickness.

Contracts for welfare, learning and the promotion of an "active community" are all expressions of the individualism at the heart of the Third Way. Individuals will be expected to contribute what they can, and receive not what they need, but an education, job, wage or pension that fits their individual contribution. If you are less able to contribute, and can't make as much of these equal opportunities due to responsibilities at home, or due to disabilities, then you will receive less back.

It is easy to see how Blair's New Labour – pro-capitalist party based on the working class – and Clinton's openly big business-based Democratic Party can draw closer to each other. The differences between US-style "workfare" and Labour's "welfare to work" lie in the detail. Although Blairites have the ambition of freeing themselves from their organised political and financial links with the labour movement in Britain, for now they are content with re-moulding the ideology and policies into a more open pro-business shape.

Can the Third Way survive the onset and course of a recession and even abrupt crisis? After all, as an ideology it has emerged slowly and piecemeal in response to a long upturn in the US and British economies.

It is highly unlikely that the "prudent spending" side of Labour's economic policy would survive a major recession and collapse of government finances. Education and welfare would be knocked and business would find itself short of the necessary cash to finance its side of a government-business finance initiative. A stock market collapse will certainly wipe the shine off

the private pension funds as being the key to long-term savings and pension plans.

The truth is that in conditions of major crisis the Third Way would rapidly revert to one of the political and economic polarities which it seeks to distance itself from: either, you stick to the IMF/World Bank mantra of budget surpluses, low inflation/tight money supply, strong currencies, deregulation and privatisation; or, like those countries in acute crisis today – Russia, Thailand, South Korea, Japan – you revert to nationalisation, demand management, restriction on capital movement and devaluation.

There is always a time-lag between real movements in the world economy and the development of capitalist ideologies to explain them. The Third Way will go the way of all such theories; having outlived its usefulness, it will be thrown into the wastebasket of history.

In anticipation of this, Britain's big business magazine *The Economist*, decries the Third Way as "so much waffle", praises Blair and Brown for their fiscal prudence but warns of the danger of them returning to a Keynesian policy when the choices are made more stark by the reality of the recession:

"A government that has devolved monetary policy to its central bank, imposed strict spending limits and resisted the temptation to undertake any large-scale redistribution is not an Old Labour government in disguise, unless the disguise is fiendishly clever. But there is reason to question how long Mr Brown will feel able to wear his hair shirt... Philosophising about a 'third way' is an activity best suited to untroubled times. If and when something goes wrong, all this talk of new approaches to the art of governance may seem beside the point."

But while the bosses have their alternatives to the Third Way ready and waiting the working class does not. One of the tasks of socialists, therefore, is to unmask the Third Way for what it is – an ill considered attempt to marry unrestricted free market liberalism and state-directed capitalism, softening the former and toughening the latter.

It cannot achieve this fusion. It will break down, and the two old alternatives will once again fight it out for supremacy as the solution to the bosses' crisis. Both alternatives are full of contradictions and – as the latest crisis shows – incapable of preventing periodic over-investment, profit falls, stock market crashes and mass unemployment.

The workers don't need a third way of managing capitalism. They need an alternative to the entire system. Only a workers' government committed to the eradication of private ownership of the main industries, banks, finance houses and pension funds can destroy the anarchy and uncertainty at the heart of capitalism.

Only democratic planning by the mass of working people themselves – both producers and consumers – can run the economy to meet the needs of ordinary people, not the greed of the profiteers. ■

*Hospital workers, care home workers and social workers fight back*

# Unison in the firing line

## UCLH HOSPITALS

THE SPOTLIGHT is on the Unison branch at University College London Hospitals (UCLH). Key activists in one of the country's best organised NHS workplaces face victimisation by NHS Trust bosses. This is amid a crucial campaign against the Private Finance Initiative (PFI). UCLH branch has long been a thorn in the side of management and Unison's leadership alike.

In 1995 bosses threatened to sack branch officer Dave Carr after a row with a manager, but a massive vote for strike action forced a climbdown. Last September the lobby of Labour Party conference, initiated by UCLH branch, provoked a surly letter of repudiation from Unison's General Secretary, Rodney Bickerstaffe, and the branch has repeated the "crime" this year.

A concerted fight by the branch against the PFI scheme agreed by Trust bosses, including regular lobbies of Health Secretary Frank Dobson's surgeries as the local MP and a campaign for strike action, has earned Branch Secretary Candy Udwin management's lasting hatred. She faced two days of disciplinary hearings in mid-August. Two other branch officers, Dave Carr (once again) and Dave Rommer, are also under investigation regarding their union activities.

After this year's Unison conference refused to give Candy Udwin explicit support, management has adopted a more aggressive stance towards the branch. Unison has, however, allowed a strike ballot, over the PFI deal. Under the scheme a new hospital would be built but three others would close. This would slash 100 beds and create massive 60-bed wards. A PFI consortium will build the new hospital and become the employer of some 600 mainly man-

It's been a long, hot summer for thousands of members in Britain's biggest union with a major unofficial strike, a key ballot over the Private Finance Initiative and continued attacks by both bosses and full-time officials on prominent activists. **Alison Hudson** looks at what's been happening in Unison since its annual conference

ual support workers. The UCLH Trust has refused to seek guarantees from the Consortium that these workers' NHS wages and conditions will be protected for the 30 years of the PFI contract. The UCLH ballot highlights one of PFI's main evils. It is an attempt to avoid the public spending desperately needed to rebuild the NHS. Private business is only interested if it can make profits and this means workers (and patients) inevitably lose out. A massive "yes" vote at UCLH is absolutely vital, but whatever the outcome a serious struggle lies ahead if we are to defeat another round of privatisation in the NHS. Ultimately, scrapping PFI will require much wider industrial action.

The UCLH ballot can be the launch pad for a campaign of strike action across the NHS. Solidarity action is vital - one Unison branch may not bring down PFI, a nationwide wave of strikes will. This year's lobby of the Labour Party conference provides a crucial rallying point in the fight against PFI, and in solidarity with UCLH branch and its victimised branch officers.

Trade union militants should seize this opportunity in Blackpool on 27 September to demonstrate to big business, public sector employers, the Labour government and our own union leaders that we won't stand for privatisation in any guise. Instead, we demand a massive public spending increase - funded by taxing the rich.

## GLASGOW SOCIAL SERVICES



Glasgow social workers' walk out showed that unofficial action can win

The fight against privatisation fuelled another struggle in August when Social Services staff in Glasgow City Council staged a week-long unofficial strike in support of workers victimised by management.

An ongoing, six-month battle with council bosses began over their attempts to transfer home helps out of Social Services into the catering and domestic department.

The City Council wants to reduce the number of departments from 21 to 12 "to provide best value for council tax payers". In all probability this is a prelude to privatisation. Council housing and secondary schools are already under threat.

Frustrated by Unison's non-cooperation with the transfer and the refusal to cover for vacant posts, management suspended without pay an administration worker and two home help organisers on 3 August. Walkouts at two Social Services offices sparked workplace meetings across the department.

Unofficial action spread rapidly, with 1,500 to 2,000 workers across all grades out by the weekend. After the first day the suspended administration worker was reinstated but management still refused to unconditionally reinstate the two home help organisers.

Daily mass meetings and an elected strike committee initially ensured the action remained solid despite vicious media attacks, management intimidation and the attempt by some branch officers to urge a return to work pending an official ballot. Strikers rejected this on hearing that a ballot would take at least four weeks.

The combined efforts of the City Council (an injunction and sacking threats) and Rodney Bickerstaffe (with letters repudiating the action) eventually forced a return to work on 10 August. But the strikers returned in style as 1,000 workers marched four miles from a mass meeting, escorting the two suspended workers. Management finally capitulated and reinstated them without pre-conditions.

The Glasgow dispute shows that determined unofficial strikes can win in defiance of the anti-union laws. The seven-day unofficial strike is, however, only the beginning.

Unison has now promised an official ballot over the transfer of the home help service. The fight is on to ensure the ballot happens soon and to win a big "yes" vote.

Activists must now make Unison work for them and not be constrained by the officials' sell-out tactics or further intimidation by management.

## Tameside strike goes on

THE TAMESIDE Care Group (TCG) strikers have been out for seven months, with no end in sight to the bitter fight against management attacks on wages and conditions.

Tameside Council, which holds a golden share in TCG, have now gone on the offensive against the local Unison branch - threatening to withdraw facility time and repossess the branch offices. These are major steps towards the derecognition of Tameside Unison.

The strikers have repeatedly shown their determination, but unfortunately lack a winning strategy. They hoped that an all-out strike would win their modest demands.

But TCG was out to smash the union in order to guarantee a flexible, low-paid workforce. The bosses planned to ride out any strike using temporary scab labour, guessing correctly that Unison would never wage the kind of fight needed to win. After

calling off mass pickets and failing to mobilise support from other Unison members in the council, the branch leadership decided that their only recourse was to Industrial Tribunal.

They instructed all strikers who had not been employed for two years to get down the job centre as there was nothing further they could do for them, as they had virtually no employment rights under existing legislation.

The TCG strike has clearly demonstrated that without rank and file control and a leadership capable of developing and pursuing a winning strategy, even the most militant disputes can be brought to their knees.

All Unison members must take heed of the lessons of TCG to prepare for future battles.

■ The Tameside strikers have called a demonstration for 12 September at 1.00 pm from Astley Road in Ashton-under-Lyme.

## UNION DEMOCRACY

# Bureaucrats victimise union's key activists

IN THE FIRST 18 months of the Labour government the Unison bureaucracy has played a key role in curbing resistance to its attacks on the public sector. But the Bickerstaffe leadership may yet find it has no alternative other than to give the green light to a lot more action in the next year. In the meantime, however, the bureaucracy looks set to wage its own campaign against a whole layer of militant activists.

A battle is now hotting up over the government's attempt to dilute protection of pay and conditions for public sector workers transferring to private employers through PFI or Best Value. A resolution at September's Trades Union Congress from the Public and Commercial Services Union calls on the government to introduce a new "fair wages resolution".

Labour on the other hand is trying to use the minimum wage and Fairness at Work legislation as an excuse to

undermine specific legal protection for such workers. The leadership's refusal to back Candy Udwin against victimisation and their undermining of the Glasgow Social Services strike will hardly surprise union militants.

After this year's conference the leadership has persisted with witch-hunting. In August Unison suspended three branch members in Leeds for up to six months after a protracted investigation, costing thousands, into the branch's affiliation to the Campaign for a Fighting Democratic Unison. NEC member, Helen Jenner, is one of the suspended officers.

The NEC wilfully ignored conference decisions by refusing to call an autumn demonstration against the criminally low level of the minimum wage and the Low Pay Commission's discrimination against young workers. The demonstration has been postponed until March 1999.

The conference decision to restore

full union membership to the Hillingdon Hospital strikers has been consigned to the dustbin of an NEC sub-committee. The union bureaucracy has conveniently ignored the conference's demand to cease any joint operations around the Unison Direct call centre with the union-busting company Capita. But while the leadership continues to sell out our struggles and flout democratic decisions, New Labour's drive to privatisation could still force Bickerstaffe and co to take a stand.

Privatisation results in job losses. These add up to a reduction in membership and a fall in money coming into the union. Unison's leadership have always had to oppose PFI rhetorically but as the reality begins to bite, they have been forced to take tougher positions. The same may be happening with Best Value in local government, as the membership refuse to swallow the Labour lie that it is better than CCT.

# JOIN THE LOBBY!

Lobby Labour Party Conference Sunday 27 September 3 pm Blackpool ■ Full Union Rights Now ■ £4.61 minimum wage - no exemptions ■ No to PFI - fund our services. For details phone 0171 401 7374

# Teachers and pupils unite to fight zones

TEACHERS, STUDENTS and parents will find big business representatives replacing local councillors and governors as they return from their summer holidays. After years of Tory bribes and cajoling, New Labour has gone for a more direct approach in its attempt to take state schools out of local authority control – compulsion.

Twenty-five Education Action Zones (EAZs) were announced on 23 June; 12 will begin operating in September and the other 13 in January 1999. These zones, normally including two secondary schools and 15 feeder primary schools, will no longer be under local education authority (LEA) control but will be under an unelected "Action Forum", consisting of five people including business representatives. The government plans to establish 100 EAZs by 2002. Hackney Education Authority, for example, has been warned by a government hit squad that:

"If services do not improve all 72 schools in Hackney should be split into two education action zones."

The creation of EAZs is a fundamental attack on state-funded comprehensive education. EAZs are not aimed at the middle classes; they are designed to provide cheap, substandard education to millions of working class children.

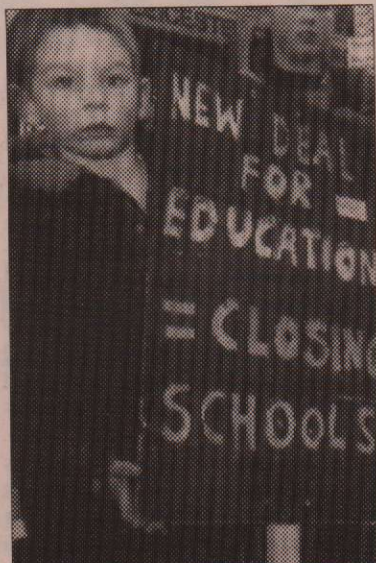
Within the EAZs, the Action Forums will be able to vary the National Curriculum - reducing the range of subjects now required in state schools. An EAZ is not about greater choice for its pupils but about rote learning in the basics, i.e. literary and numeracy, restricted access to languages and an emphasis on preparation for the labour market.

The Lambeth EAZ proposal envisages the following scenario for work experience:

"The Borough already has close links with the Construction Industry Training Board, vehicle maintenance workshops and jewellery making firms and these contacts will provide the basis for the initial programmes... classes will continue in the school holidays."

In other words you will be offered less schooling, long hours and no pay. You can become a builder or a car mechanic, while the bosses get cheap labour and free apprentices.

Meanwhile, teachers in the EAZs could well come under attack. The government made it clear to bidders they would encourage EAZs to vary teachers' pay and conditions. This could include widespread use of "super teachers", productivity deals and longer hours.



Education Action Zones will open schools to profiteers

Labour is keen to encourage high profile business involvement in the EAZs. Faced with crumbling schools, underpaid teachers and oversized classes, education is in desperate need of additional funding. Instead of raising taxes, New Labour hope to lure private sector investment with the bait of easy profits.

The 25 EAZs announced in June include participation by companies such as American Express, British Aerospace, BT, Cadbury-Schweppes, Kellogg's, Marks and Spencer, and Tate and Lyle. But so far business is not desperate to stump up large sums to solve the underfunding of education. Instead, the government has had to increase the money it will put into the EAZs from the original £250,000 to £750,000, while the money EAZs are expected to find from business or charity remains at £250,000.

In Newham, East London, £1 million is due to come from business. The figures, however, reveal that most of this is in kind: donations of old computers or advice from their consultants. In fact, the additional money in Newham will not even buy one extra teacher.

Business will play a leading role in some of the first wave of EAZs, but mainly as chairs of the Action Forums. All of the bids for the new EAZs were led by the local education authorities, rather than by private business.

Business is wary of EAZs since they have not yet received the go ahead to take over total control of the schools involved and make a profit out of them. While ministers have assured the teaching unions that EAZs would not be led

by companies "specifically in business to make money out of schools", the government's chief education guru, Michael Barber, has met with the US firm SABIS Educational Systems, which makes its money out of American schools, to discuss their possible future involvement in British EAZs.

The response of the National Union of Teachers (NUT) to the EAZ proposals has been appalling. The NUT has pursued a strategy of seeking to defend teachers on a zone by zone basis, asking for reassurances on teachers' pay and conditions. This year's NUT conference accepted the principle of EAZs in a motion which states:

"The Union's criteria for EAZs provide the basis for ensuring that the operation of the Zone is not to the detriment of all schools and provides the necessary protection for members."

Once an EAZ is established, teachers in the zone's schools will have a different employer to others in the borough. An attack on pay and conditions could, under the current anti-trade union laws, only be resisted by the teachers within the zone. They will be isolated and vulnerable.

This fight should not, however, just be about teachers' pay, terms and conditions. Socialists must also strip the gloss off the government's rosy picture of EAZs. New Labour wants to convince working class parents that EAZs will bring money into inner city schools, long starved of cash and teachers under the Tories.

They want us to believe that in return for giving up limited control over education through governing bodies and the LEAs, that we will get streamlined super schools. But in reality all EAZs will bring is flash advertising space in schools for big business and a chance for the bosses to make a profit by savaging services such as cleaning and maintenance, and getting teachers on the cheap.

A campaign has now been set up against EAZs, led by the Socialist Teachers' Alliance. The campaign has been slow off the mark, focusing on a demonstration in the autumn term and attempting to persuade schools to withdraw from the EAZs. Such action will already be too late in the case of at least 12 EAZs.

The threat of EAZs must be met with co-ordinated national action. All attempts to vary pay and conditions must be met with national action, even if this action is illegal under the anti-trade union laws.

## Passport to profit at Pimlico school

The government's EAZ plans are linked to the Private Finance Initiative (PFI). Under PFI companies bid for contracts to build and run hospitals and schools. Once the building is complete the government leases back the property to the contractor for an average period of 25 years.

The first high profile PFI education project is planned for Pimlico School in the City of Westminster. The government is offering a contract worth £22 million to rebuild the school. This is an especially lucrative project since the successful bidder will also be able to sell off

part of the school's grounds for housing development within easy walking distance of the Houses of Parliament.

But PFI is not just about buildings. The private contractor will become the new boss, taking control of cleaning, school keeping, IT provision, and catering - virtually everything except teachers and office staff. Low-paid workers will undoubtedly face another assault on their pay and conditions, if not their actual jobs.

Parents, teachers and students at Pimlico are opposed to the PFI plan. Parents, who were never

officially consulted, organised their own ballot and voted overwhelmingly against the plans. But the school's governing body ignored their views and agreed to proceed regardless.

Jack Straw, Labour's Home Secretary, is a governor at the school and voted to support the PFI plan. Parents are now calling for his removal from the governing body. This should be the start of a much wider campaign embracing teachers, technical and ancillary staff, parents and pupils to block this showcase for the privatisation of state comprehensives.

# workers POWER

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COMMENT

## Has the Labour left had its chips?

LABOUR'S BLACKPOOL conference will be its last in this traditional working class resort: New Labour, new venue. The modernisers want somewhere more acceptable than the capital of fish and chips for the endless business lunches that now dominate the leadership's conference diaries.

They also want this to be one of the very last policy making conferences. They want to ensure no more scenes of unruly delegates booing unpopular cabinet ministers, or of trade unions block votes for a higher minimum wage. Conference will become a rally and policy will be left in the hands of Blairite dominated forums.

Blair is ruling on behalf of big business. His government boasts more bosses than any previous Labour administration, the renegade Trotskyist-cum-media magnate Gus - soon to be Lord - MacDonald being the latest. In the cabinet reshuffle Blair elevated his trusted allies, Mandelson and Byers, handing the former the trade and industry job and shunting Margaret Beckett to one side. Both her old Labour relapses and her decision to go on a caravan holiday meant her days at the DTI were numbered from the outset.

At the same time, however, Blair has sacked the hated scourge of lone parents, Harriet Harman and right wing moralist Frank Field resigned. And Blair pulled back from sacking any of the "old Labour" heavyweights from the cabinet (even Beckett remains) in a bid to prove his even-handedness and stave off any revolt among the membership.

On the economic front Chancellor Brown announced the spending review. In real terms Brown has cut public spending by one per cent since Labour came to office. His spending review has promised millions for health and education. This too is part of the balancing act. Labour has yet to give any extra money to the public sector. And Brown has made clear, under his "golden rules", that if recession plunges the treasury into debt public spending will be cut not expanded. With recession on the horizon, there may be no extra money at all for schools and hospitals.

Nevertheless, the July spending review was a means of keeping the peace in the party, especially placating the union leaders.

Behind Blair's manoeuvres his real project - the transformation of the Labour party into either a European-style social democratic party free of the union link, or an open bosses' party like the US Democrats - continues. And activists should be launching war against this at conference.

This year's National Executive Committee (NEC) election is being contested by the Centre-Left Grassroots Alliance. Its six candidates are Mark Seddon, Liz Davies, Andy Howell, Cathy Jamieson, Christine Shawcroft and Pete Willsman.

Although they are not standing on a common platform, their individual statements call for full employment, trade union rights, defence of the welfare state and free education. Their collective position on the Labour Party is to preserve the union link.

On this basis Workers Power calls on Labour Party members to vote for these candidates. We are critical of all of them, especially those from the old centre-left who have implemented local government cuts. But around the issue of the union link a vote for them is one way of putting the brake on Blair's plans. We demand that they use any NEC positions to lead a fight not only over party democracy, but against all the government's anti-working class policies.

The other key question they are battling over is their opposition to the increasing centralised control by the Blairite machine. This real threat has to be fought by opposing all witch-hunts. Yet this alliance includes those, like *Tribune* editor Mark Seddon, who complains that the Blairite machine is being used against loyal members. In response to being labelled "militants or 'hard-Left Trotskyists'", he remarks bitterly, "That many of us had actively opposed Militant and have little time for excitable trotskysts (sic) is immaterial. The machine has no other way of reacting to those who beg to differ." (*Tribune* 21 August 1998)

It comes as no surprise that the Labour bureaucracy's guard dogs have now been let loose against anyone who dares to dissent. The stakes are high. Labour is in office; against its supporters' expectations it must carry out unpopular, pro-capitalist policies. The Blairites' strategy for dealing with this is to increasingly divorce the party from the control and pressure of the organised working class.

There are Labour Party and trade union members who want Labour to remain a workers' party. The battles surrounding this question will be entwined with the demands on the Labour government to improve working class living conditions of the working class.

We will unite with groups and campaigns wanting to fight around working class demands and for democratic control of labour movement leaders, but we have a fundamentally different aim.

It is not to rebuild the old and failed Labour left of yesteryear. It is to build an alternative party, a revolutionary workers' party, one that proclaims its clear commitment to the working class and its goal of overthrowing capitalism.

# Condemn Omagh bomb! Fight Blair's repression!

THE INDISCRIMINATE and reactionary bombing of Catholic and Protestant workers in Omagh, Northern Ireland on 15 August must be condemned. Whilst we support the goal of a united Ireland and opposed the Good Friday Agreement as an anti-democratic fraud, the bombing by the Real IRA was in no sense a blow against British rule in the Six Counties. Far from exposing the agreement or raising the consciousness and activity of the anti-unionist population, this terrible act immeasurably sets back the struggle against partition.

The bomb, set off by the Real IRA, killing 28 and injuring more than 200, was a desperate rearguard action by physical force Republicanism to continue a guerrilla war in Northern Ireland. Workers Power and the Irish Workers Group have always stood in the front line of those defending Irish Republicans from repression. However much we considered the methods of guerrilla warfare, central to their strategy, to be diversionary, often counter-productive, and ultimately ineffective in achieving the goals of a united Ireland, we recognised that these forces were engaged in a progressive revolutionary nationalist struggle against British imperialism which had conspired with Unionism to partition the island in 1921 against the wishes of the vast majority of the people. We recognised too that a large part of the anti-unionist population supported the overall goals and struggle of the IRA. As a result we gave the Republicans unconditional, though critical support in this struggle.

But under Sinn Fein/IRA leadership the mass of the anti-unionists signalled in the Good Friday agreement referendum that they have abandoned the revolutionary armed struggle for a united Ireland; they have signalled their collective attempt to reform the sectarian Northern Irish statelet by constitutional means. We believe that this is an illusion. We must work now to build a political campaign to persuade the anti-unionist masses that they are wrong. Agitation is needed to mobilise

## Workers Power and the Irish Workers Group explain why we say to those who want to continue the guerrilla struggle in Ireland: find a better way to fight imperialism

mass activity on the streets against job discrimination, sectarian murders and state repression. But in this context the attempt by the Real IRA to carry on the guerrilla struggle in the name of the 1918 vote for independence and ignore the political mandate given to Sinn Fein (SF) in 1998 is utterly stupid and counter-productive. Worse, to have planted bombs in a shopping centre in a rural Irish town on a Saturday afternoon in the name of the fight against "British commercial interests" was a crime against the Irish working class.

However our condemnation of this act has nothing in common with the lynch mob propaganda of the media and of the British and Irish governments. Its perpetrators are not "psychopaths" or criminals but badly misguided fighters against British imperialism. Though we do not excuse their action in Omagh, we do defend them against the repression of the British and Irish state. We reject with contempt the hypocrisy of the official mourners from the British government, the Unionist hierarchy and the Dublin government. These people have for decades backed the open and covert war against anti-unionist people who have sought to resist Loyalist intimidation and discrimination, murder and harassment as well as the savage official repression of the RUC and British Army.

The latter have still not confessed their cold and deliberate crime of Bloody Sunday in Derry in 1972, when 14 civilians were murdered by the British in cold blood.

The 32 County Sovereignty Committee, the political allies of the Real IRA, has criticised the bombing. The Real IRA has apologised and announced the suspension of its military struggle; the Irish National Liberation Army (INLA) likewise rushed to do the same; this is unlikely to save them from the barrage of new repressive measures that Dublin and London will rain down upon them. We condemn the use of all old or new measures to detain real and imagined members of the 32 County Sovereignty Committee and Real IRA, extract forced confessions, "tighten security" against the anti-unionist community in the border areas.

What we do say to all those Republicans who reject the pro-imperialist peace deal is FIND A BETTER WAY! The bombing of "commercial targets" and isolated guerrilla actions against the security forces was never capable of winning a war of national liberation; in the present conditions it is doubly, triply, self-defeating. The SDLP and SF now have the support of the overwhelming majority of the anti-unionist population behind it. To continue a guerrilla campaign against the wishes of the anti-unionist masses will condemn you to political isolation and vicious repression. The alternative is not at all to hail the peace agreement, or enter the peace process. The Northern state is still a machine of British rule and Orange privilege. The promises of Blair, Ahern, Hume and Adams will prove to be empty. A struggle around this will inevitably develop over the coming months and years.

The masses who now have illusions in the peace process also have aspirations for social justice, for equal rights, for decent wages and living conditions. These aspirations - which are shared or supported by many Protestant workers too - must be turned into sharp and clear demands and an organised mass movement to back them up.

This and this alone will expose the sham of the agreement and create a new powerful movement which can shed all illusions in imperialism.

Republicans can and should dedicate themselves to the legitimate defence needs of the nationalist community. But above all they should turn now to the mass political struggle to end Unionist hegemony, to fight for the rights of Irish workers, a united working class movement, north and south, to bring about a united, socialist Ireland.

The British and Unionist forces intend that SF are caught in the fall-out from the Omagh bomb. Not content with the steady conversion of SF to a semi-constitutional nationalist force, one committed to making the new Assembly do its work of desecularising the Northern statelet, the media hounds have been unleashed to demand of SF that they inform on their ex-comrades, that they retract their demand for prisoner release and that they immediately begin decommissioning. In other words they aim to accelerate the process of removing the vestiges of any revolutionary nationalist threat to the existence of the six-county state. Sinn Fein's reaction to the bomb could indeed pave the way for a deal between SF and the UUP to allow power-sharing, including Sinn Fein ministers in the executive of the new assembly.

Likewise, during the summer marching season the sting of rejectionist Loyalism was also drawn; the Loyalist murder of three children in July at Ballymoney provided the pretext for the Good Friday forces to marginalise and stigmatise all unionists who attack the agreement and render them powerless. The end result of that attack and the Omagh killings will be to greatly weaken the anti-agreement forces from within republican and loyalism in the short-term.

That marginalised Republican forces feel their bombing campaign should go on stems from frustration with SF's utter capitulation to the British and the fact that the peace process has not delivered justice. But all progressive forces in Ire-

land need to be convinced of this through political mass struggle, not bombed into it. Revolutionary forces need to rebuild a mass movement around all those socialists and republicans who opposed the Good Friday deal. Direct action struggles (protests, marches, strikes, rallies, pickets) should be built to fight for the following demands:

- No to Dublin's increased repressive measures; no to internment under another name. The Irish and British states have no right to imprison those detained for the Omagh bombing. People's justice, through people's courts in the anti-unionist community should deal with those guilty of reactionary working class actions.

- Repeal all emergency legislation in Britain and Ireland. Release all Republican political prisoners now; Disband the RUC. No arms to be handed over to the British or Irish state; for collective, democratic, mass self-defence of the nationalist community against Loyalist sectarianism and RUC and Crown force attacks. British troops out of Ireland. Self-determination for the Irish people as a whole; for an all-Ireland revolutionary constituent assembly not plebiscites.

- A massive programme of social expenditure: housing, hospitals, schools, recreational facilities under the control of rank and file trade unionists and local communities, paid for by taxing the rich and compensation from British imperialism. Work for all who want it and benefits set at a the level of a minimum wage as set by rank and file trade unionists and housewives.

- The separation of Church and State and Church and School. No to sectarian parades. End job discrimination.

- A revolutionary workers' government, based on councils of action and defended by armed militia, will disband the RUC and demand/force the expulsion of British troops and nationalise the large scale industries—appealing to the workers of the Republic to join them in a 32 county united Irish Workers Republic and to join with the workers of Britain in a Socialist United States of Europe.■

## MEGAPHONE

■ Tom Barnard relives a great time at the REVO summer camp

### *Party politics as youth get down to some serious fun*

The international youth movement, *Revolution*, held its first European Youth Camp in July. It was a great success!

Youth from all over Europe came to the camp in France and enjoyed four days of political discussion, sports and partying. The meetings, which were in both French and English, included lively discussions on capitalism, the working class struggles around the world, the fight against women's oppression, how to defeat fascism, organising young workers and the environment.

A recurring theme in most of the meetings was the South East Asian economic crisis, and the effect it will have on the rest of the world. We realised the need to get ready for a fight to prevent the entire working class being dragged down by the vile capitalist system which breeds crisis after crisis.

The discussions did not finish when the meetings did, they continued long into the night. There was also an excellent simulation game on the Spanish Civil War, where we had to think fast to prevent the Fascist invasion advancing and fight the Stalinist purges against Trotskyists!

The level of democracy was high throughout the camp with an elected committee, which ran the day-to-day aspects of the camp. Any disagreements were discussed and voted on. All the jobs needed for the camp to run smoothly - cooking, shopping, cleaning - were shared out on a rota, so everybody contributed.

Between the meetings we had the chance to play football, volleyball, ping-pong and late-night matches of table football, which nobody involved will

forget! In the evenings we had music, dancing and general partying, as well as a campfire, where we shared experiences with other youth from every corner of Europe.

The camp finished with a rousing speech, and hearing the experiences and struggles of young revolutionaries in their different countries. We came up with plans for international campaigns, an international edition of a bulletin and co-ordinating the actions of the different *Revolution* groups.

There was just enough time to sing the Internationale and have group

photos taken before we had to say goodbye to our newly made friends and comrades and head home, with our heads still buzzing full of ideas.

The camp was the first step toward an international youth movement which will be able to lead the struggle of young workers against capitalism and toward socialism. The Eurocamp showed that young people from very different backgrounds can come together and have serious discussions, organise ourselves and have fun.

Next year we will have another Eurocamp, one that's ten times bigger, even livelier and where the meetings have to be translated into twenty different languages. The youth are the future, we will organise ourselves so that we can be at the forefront of the coming revolutions across the globe.

# marxism THE BASICS

A BEGINNER'S GUIDE TO REVOLUTIONARY SOCIALISM

## Which road: reform or revolution?

For Karl Marx and Friedrich Engels the creation of a socialist society required the overthrow of the old order and the seizure of ruling class property. **Karen Petrie** champions this tradition against those "socialists" content to tinker with the existing system.

FOR MORE than three decades Marx and Engels argued that a revolution was the only way workers could achieve a socialist society. For them revolutionary crises emerged inevitably out of the conflict between classes in capitalist society. Capitalism creates the possibility and necessity for revolution. In the form of the "proletariat", it also creates its own "gravediggers".

Marx and Engels did not reject a peaceful parliamentary road to socialism out of some demonic bloodlust but because they recognised that no ruling class in history had ever ceded its power and wealth without a fight. Modern capitalism itself triumphed over the old feudal order in a series of violent revolutions (notably in England and France).

There is, however, a tradition with deep and powerful roots in the workers' movement which has often claimed the goal of socialism but argued that the path to it was the gradual transformation of society through reforms. Its supporters have maintained that capitalism's worst aspects could be tamed and eventually modified into a new kind of society that favoured workers' interests.

This political ideology has many advocates and several variants, both left and right-wing. It also has a name: reformism.

Capitalism has known periods of expansion and boom when many workers have seen their living standards rise. Probably the longest such period stretched from the end of the Second World War until the early 1970s. But capitalism, despite such periods, is a highly unstable economic system that plunges society into periodic crisis. The profit system creates such fierce competition between capitalist corporations and nation states that trade wars and, eventually, military conflicts erupt.

Many reformists accept that capitalism is a system prone to crisis. But they argue that it is possible to use a parliamentary majority and government office to pursue reforms that will alleviate such a crisis.

Measures such as regulating competition, nationalising some industries, injecting more public spending into the economy and the partial redistribution of wealth from the rich to the poor by taxation used to be at the core of the reformist programme.

In the reformist schema the legitimacy of parliamentary democracy means that, despite opposition from sections of the ruling class, change can still come about peacefully. Enabling acts and ministerial decrees replace the need for violent revolution.

Ironically, this strategy gained its clearest expression at the end of the 19th century in a mass working class organisation Marx and Engels had helped to found - the German Social Democratic Party (SPD). In the 1880s and 1890s capitalism was enjoying a period of expansion and relative stability. Colonial conquests in Asia and Africa and the beginning of the imperialist stage of capitalist development had delivered super profits and improved living standards for many European workers.

German industry grew rapidly during these years. Trade unions and parties like the SPD organised hundreds of thousands of workers in struggles for better wages, public health provision and democratic rights, resulting in tangible gains for the working class. At the same time they gained parliamentary representation.

These developments underpinned the emerging view inside the SPD and other workers' parties, that capitalism could be reformed from above. In Britain, this perception shaped the programme and practice of the Labour Party.

In Germany, Eduard Bernstein, a very influential SPD thinker, explicitly abandoned the struggle for revolutionary socialism, claiming that Marx and Engels were fundamentally wrong about capitalism's tendency to cri-

### IN BRIEF

■ Reformists accept that capitalism is a system prone to crises and booms but still believe that it can be reformed through parliament

■ Any reform that seriously challenges big business would be met by economic sabotage and the full force of the capitalist state: the police and army

■ Because of the armed resistance of the bosses revolution is the only way that workers can achieve socialism

sis and declaring that the revolutionary road was utopian. He promoted the view that Germany would continue to prosper and that workers, under the paternal guidance of the SPD's parliamentary leadership, could move towards a gradual socialist transformation.

A battle of ideas developed within the SPD that would profoundly influence the socialist movement internationally. The Polish-born Marxist, Rosa Luxemburg, launched a defence of basic Marxist principles against Bernstein in her pamphlet, *Reform or revolution*.

Despite Luxemburg's battles within the SPD, Bernstein's reformism gained influence and served to justify many an SPD retreat. When capitalist stability gave way to the catastrophic First World War, the SPD leadership supported the German state's war effort. The SPD's programme had, in fact, strengthened capitalism by directing workers' anger away from the bosses' system itself into a doomed attempt to make it more humane.

Reformist logic - the commitment to managing capitalism inexorably leads to the defence of that system - led the German SPD leadership to support their bosses when they plunged Germany and Europe into a frenzy of inter-imperialist carnage. Luxemburg had clearly anticipated the danger of this logic. She recognised that whether workers struggle to reform the capitalist state or overthrow it is not a question of different paths on the same road or towards the same goal:

"That is why people who pronounce themselves in favour of the method of legislative reform in place of and in contradistinction to the conquest of political power and social revolution, do not really choose a more tranquil, calmer and slower road to the same goal but a different goal. Instead of taking a stand for the establishment of a new society they take a stand for surface modification of the old society."

She was proved right not only by the SPD leadership's becoming recruiting sergeants for German imperialism in 1914 but by their attitude to the workers' revolution in Russia, led by the Bolsheviks, in 1917. These leaders declared themselves to be the sworn enemy of this revolution, of its soviets which acted as a real democratic alternative to parliament, and its militia which was the direct opposite of the hierarchical capitalist army that the SPD now regarded as its own.

After four years of war, and with Germany defeated, the German workers wanted revolutionary change as well. The Spartakists, a party formed by Luxemburg and Karl Liebknecht, became the vanguard of the revolution of late 1918. The SPD leaders revealed where their real class loyalties lay. They crushed the revolution, and briefly silenced the voice of revolutionary socialism. In January 1919, Rosa Luxemburg and Karl Liebknecht were brutally murdered on orders from the SPD leadership, their bodies dumped into a Berlin canal.

Reformism revealed itself as no longer a strand of opinion within the workers' movement but as the agent of the ruling class within that movement dedicated to counter-revolution and willing to contemplate only those reforms that capitalism could afford.

The radical variant of the reformist strategy in a country like Britain, embodied most recently and famously by Tony Benn, argues that the struggle for reforms should be conducted on a wide front, but fundamental social change should be brought about primarily in the House of Commons. Extra-parliamentary struggle is an adjunct, not an alternative, in Benn's version of the peaceful road to socialism.

Benn's case is based on the idea that parliament is the key location of power in Britain and other western countries. This is his first and most important mistake. Of course, governments can tinker with the system, increase taxes a little and introduce the odd reforming law. But the capitalists have been very careful over many years to ensure that their real political power is located outside of parliament, in places where it will not fall into untrustworthy hands.

Any reform that seriously challenges the property rights of big business will be met with resistance by the real power of the capitalist state - the unelected civil service, judiciary, the armed forces, secret services and the police. It will be met by the economic sabotage of big business and the banks. They will order flights of capital to cripple a government if they think it is overstepping their boundaries.

The state apparatus defends ruling class power and privilege against the threat of working class revolt. A major strike or workers' demonstration will be met with the full repressive force of this state yet capitalists will be protected by it even when they are busy sabotaging government policies, carrying out mass sackings or enforcing pay cuts.

The experience of every attempt to utilise parliamentary means in the struggle for socialism has highlighted the crucial significance of the state apparatus. In Russia after the February 1917 overthrow of the Tsar, the workers looked to the Provisional government to meet their needs. When the peasants demanded land and the workers the factories, the government suddenly proved powerless confronting the landowners, the bosses and the military.

While one wing of the movement - the Mensheviks - put their faith in peaceful reform, the Bolsheviks recognised that only the armed might of workers' and peasants' militias combined with the power of workers' councils (soviets) could secure the basis for a socialist society.

The insurrection in October 1917 was able to take power from the capitalists precisely because the workers had built their own alternative power structures.

Without these alternatives, without a revolutionary party leading a revolution reformism will always fill the gap. And Reformism's strategy can have far more tragic consequences than just a missed opportunity. In 1973 in Chile, after Salvador Allende's left-wing government attempted to implement a programme of radical reforms, the bosses launched a bloody coup against the workers.

The workers were left defenceless and the socialist government powerless. All their decrees came to nothing. The real power of the bosses' state was revealed in all its brutal horror in a Santiago football stadium where army troops murdered thousands of workers and radical students.

We have to ensure that this lesson is learnt once and for all by the majority of the working class. The century now ending has seen countless opportunities to rid the globe of capitalism squandered by reformist leaders, all too often ending in tragedy.

This is why the necessity for revolutionary force, organised by the mass of workers with the unambiguous aim of smashing the military power of the capitalist state and replacing it with the power of the workers' militia, based on the democracy of workers' councils, is the only strategy that can secure a socialist victory. ■



Revolution: the only road

*African regimes conduct proxy war as the masses starve*

# Weakened Kabila pledges ethnic war

The Democratic Republic of Congo is again in the throes of a civil war. Just 15 months after rebel leader Laurent Kabila was greeted by jubilant crowds in Kinshasa the capital again awaits rebel forces. Only this time, Kabila is the president whose grip on power is slipping, writes **Jeremy Dewar**

A MACABRE sense of déjà-vu pervades the Democratic Republic of Congo (DRC). A corrupt president, widely accused of nepotism, of jailing, torturing and bumping off political opponents and former allies, and of failing to pay government employees, declares he is ready for a "long war" against the Rwandan-inspired Tutsi invaders.

But things are not the same as a year ago. Instead of Kabila's Alliance of Democratic Forces for the Liberation of Congo (ADFL) pressing down on the hated President Mobutu, it is Kabila who is set to be driven from Kinshasa by his former brothers-in-arms. Rwanda and Uganda have tired of the man whose regime they helped install.

Unlike Mobutu, however, Kabila is not totally isolated. Angola, Congo's southern neighbour, itself torn by civil war and Zimbabwe have declared political and military support for Kabila. Inside Congo Kabila can still mobilise limited popular support for his shaky regime.

The danger is that Kabila's "long war" will materialise over the coming weeks and months, plunging Congo into inter-ethnic strife. The workers and peasants must use the divisions among the ruling elite and the armed forces to seize the initiative and impose their own solution. If they do not, the barbarism of tribal-based warfare could engulf the entire region.

After 30 years as an undistinguished, Stalinist-influenced guerrilla leader, Kabila's fortunes changed thanks to the victory of the Tutsi-dominated Rwandan Patriotic Front (RPF) on Zaire's eastern border.

The highly disciplined RPF forces were keen to scatter the remnants of the genocidal Hutu-chauvinist Interahamwe militia, which had massacred 500,000 Tutsis during the Rwandan 1994 civil war and which was continuing to destabilise the new regime. Plucking Kabila from obscurity, the RPF, backed by Uganda and mobilising the Tutsi-related Banyamulenge people of eastern Zaire, led the overthrow of Mobutu.

Kabila, however, was obscure for a good reason. As early as 1964, Che Guevara denounced his penchant for fast cars, drug-trafficking and prostitution rackets.

Kabila's conversion to neo-liberalism led him to sell off franchises to Zaire's potentially lucrative mines to the multinationals even before he had captured Kinshasa – hardly a good start for the unpaid workers in the industry. In office, the new president ensured that workers remained unpaid and the state industries continued to operate at a loss because the old managers were replaced by equally corrupt new ones – the only difference being these were all relatives of Kabila.

Oppositionists and former allies were, one by one, alienated, imprisoned and tortured. Some were murdered. The masses were encouraged to attend ADFL seminars and Peoples' Communications Cells – those who did not attend were denied access to jobs. Despite a Constitution Drafting Commission and National Reconstruction

Conference, no elections were promised.

Uganda and Rwanda – both of which had aided the ADFL's uprising – found Kabila unable or unwilling to seal Congo's borders and prevent rebel incursions. After Rwanda and Uganda boy-

pathisers are in the leadership of the military revolt, they appear to have the upper hand. On 16 August, the Congolese Democratic Assembly (RDC) called for a coalition of "all the Congolese, all of the forces fighting against dictatorship that are determined to

bourgeois politicians and warlords, workers and peasants need to use the abundance of arms to build their own militias to defend their communities from genocidal attacks.

The working class must not support either side in the civil war. Neither the ADFL nor the RDC represent a progressive fight against dictatorship. Unlike 1997, this war does not contain any element of a popular revolutionary democratic struggle.

But the working class must not be passive, faced with the potential break-up of Congo. Although its borders were drawn in the boardrooms of the imperialist western powers, its disintegration into tribal-based homelands would create new oppressed minorities, guarantee further land wars, genocide even, and leave the resulting mess even more firmly in the grip of the multinationals and the banks. Crucially, the working class could be divided and weakened for decades to come.

Workers should fight against any attempt to unleash a tribal war and stand for the integrity of Congo, while guaranteeing the right of any nationality to secede should it so wish. The "dead city" strikes that helped drive Mobutu into exile need to be resurrected. This can be done if the workers break with Kabila's vile chauvinist slogans and take up the burning economic demands of the day.

By demanding the immediate payment of wages, by driving out the corrupt managers in industry and fighting for workers' control, and by demanding the division of the land among the poor peasants and the granting of free credit to them to help farm it, the working class can offer a future free from poverty, land hunger and inter-ethnic strife.

And by taking the lead in seizing the wealth and assets of the imperialist multinationals, by cancelling the debts to the imperialist banks, by championing real independence from both French imperialism and its Anglo-US rival in the region, the Congolese workers can rally all of the oppressed, famine ridden peoples of Africa to their cause, putting an end to the outbursts of inter-ethnic strife that cause so much suffering.

A revolutionary constituent assembly is the immediate answer to Kabila's dictatorship and to any new coalition that emerges from the war. And in the fight to convene such a body the working class and poor peasantry can and must build up their own truly democratic organisations – workers' and peasants' councils and a people's militia – and fight for a workers' and peasants' government.

The key to the working class embracing and fighting for such a programme and for its triumph against the rival war parties is the building of a revolutionary workers' party based in the workplaces and living quarters of the working class and among the rank and file of the armed forces.

Only a workers party, completely independent of foreign powers and factions of the ruling elite, can lead Congo out of the cycle of revolts in which militarist demagogues promise everything but deliver nothing. ■

*The workers and peasants must use the divisions among the ruling elite to seize the initiative and impose their own solution*

cotted a regional summit in Kinshasa in May Robert Stewart, ex-chair of American Mineral Fields International, called for "a silent coalition of every president in the region" to oust Kabila.

The first signs that a new civil war might start came in November 1997. Banyamulenge soldiers had fought for the ADFL but found that victory did not even bring them citizenship and property rights in their own country. When a key Banyamulenge officer was demoted, shooting between government troops broke out in Kinshasa. The army and ADFL began to disintegrate into Katangan, Banyamulenge, Congolese and ex-Mobutu factions.

Meanwhile, the Congolese people were getting fed up with Kabila's broken promises. Kabila sought to deflect this discontent by attacking Rwandans in the army and launching a virulent anti-Tutsi campaign on the streets. On 27 July Kabila expelled 500 Rwandan army advisers and trainers and sacked James Kabare, a key Tutsi commander.

Thousands of Banyamulenge fled western and central Congo in fright. Those who remained faced arbitrary arrest. Tutsis were murdered in Kinshasa in the following days, including one of Kabila's financial advisers.

The Rwandans immediately linked up with the Banyamulenge-dominated 10th Brigade of the Congo army and swiftly took the key cities of Goma, Bukavu and Kisangani in the east, as well as Matadi, Congo's only seaport, on the other side of this vast country.

But despite these military successes, the rebel coalition faced huge political problems.

Uganda's displeasure with Kabila stemmed from its need to create a buffer zone in eastern Congo to protect its southern flank (and Rwanda's western flank) from rebel incursions. But this threatened a break-up of Congo. Rwanda favoured taking Kinshasa and imposing a more malleable coalition which would co-operate with the Rwandan military in cross-border controls. But this goal faced an even bigger obstacle: how to forge a Congolese coalition that could win popular support, especially given the widespread anti-Tutsi hysteria.

Since the Rwandans and their sym-

eradicate its roots once and for all". But almost immediately, rumours of a power struggle emerged between Arthur Z'Ahidi Ngoma, a Congolese ex-UN official and leader of the Forces of the Future party with close links to Uganda, and Bizima Karaha, Kabila's ex-Foreign Affairs minister, a Tutsi and pro-Rwandan.

Divisions over strategy and aims are likely to escalate in the coming weeks. Despite the RDC's initial successes Kabila is rallying support. On radio he declared: "By starting this war [the Tutsis] have made themselves targets. They are a small minority, and all the surrounding tribes are against them." He has armed thousands of youth in citizens' defence groups in Kinshasa saying: "Weapons are going to be handed out to tens of thousands of people for them to defend their sovereignty. I fully support the decision taken by young people who ask to be armed."

The battle for Kinshasa will not be like the bloodless coup of May 1997. Although the RDC is well armed and trained, they will face a hostile and armed population.

Presidents dos Santos of Angola and Mugabe of Zimbabwe have pledged, and started to deliver, military support for the ADFL. Tanzania, Zambia and Namibia have also decided that a unified Congo under Kabila is preferable to a long civil war that could break up the country and destabilise the whole region.

US imperialism is not rooting for Kabila, despite its original tacit support for him against Mobutu. State Department spokesperson James Rubin said, "I'm not prepared to comment on whether we would like to see a change in government."

Behind the soundbite "African solutions to African problems" the US-British policy is to achieve stability by urging South Africa to become the broker in the peace talks, proposed by Nelson Mandela. There is little chance that these talks will succeed.

It is imperative that the workers and peasants of Congo intervene independently to impose a working class solution to the crisis.

As the ADFL and the RDC attempt to cobble together coalitions based on tribal loyalties and headed by discredited



**Kabila threatens to turn militias against Tutsi ethnic minority**



Sani Abacha, the military ruler of Nigeria since 1993, died of a heart attack on 8 June. One month later, Mashood Abiola, the dictatorship's most high profile opponent, also died suddenly. **Keith Spencer** looks at the impact of these deaths on Nigeria's military regime

# Imperialists support Nigerian military as it clings to power

SANI ABACHA'S death provoked mourning only among the tight circle of beneficiaries from his rule of violence and corruption. But Abiola's death provoked mass rioting. Four years ago Abiola managed to win a presidential election, despite military attempts to rig it: the majority of Nigerians saw him as the rightful ruler of the country.

With the sudden death of the dictator, Nigerians expected Abiola to be called from prison to lead a transitional government to democracy. Now they are left with just another general in power – and one, unlike Abacha, with the public backing of the “international community”.

Abiola first came to prominence in the 1970s, as a businessman and a regional political leader. In 1983, the elected government was overthrown by the military; two years later, General Ibrahim Babangida became head of state, and Abiola developed a close alliance with the general.

By 1993 Babangida was preparing for a controlled “transition to democracy”. The Babangida regime was becoming dysfunctional to capitalism. It fostered cronyism, which stood in the way of increased exploitation of Nigeria's oil by the west. And its record of repression had stirred up strong working class organisations at the heart of the Nigerian oil industry, which the oil multinationals had to deal with, even as the government went about arresting and beating up the leaders.

Two parties, set up by the military, contested elections on 12 June 1993. Abiola came out on top with 60 per cent of the popular vote. But the election result was annulled. Sections of the military could not stomach the potential opening for mass resistance that his victory threatened to create.

Abacha pushed Babangida from power and put Abiola in solitary confinement. Abiola's friends and family were persecuted and his most senior wife, Kudirat, (Abiola was a Muslim) was

gunned down in June 1996. The rest of the pro-democracy opposition suffered threats, exile, imprisonment and killings – including the high profile hanging of opposition leader Ken Saro-Wiwa

During his last year in power Abacha prepared the country for his own elevation to the presidency. In April this year elections were held for the national assembly. There were five political parties contesting the seats – all government puppet organisations.

The turnout was derisory as the opposition forces called a boycott and sporadic bomb blasts occurred in the south of the country. The military then informed all five parties that Abacha was to be their nominee for the Presidential elections called for 1 August 1998. Further parliamentary elections were due in October.

On the day of Abacha's death, the Provisional Ruling Council (the military junta that rules Nigeria) “elected” General Abdulsalam Abubaker as head of state. Abubaker addressed the nation saying that he fully intended to keep to Abacha's October timetable for elections.

Abiola was believed to be preparing to take up his place as President. Yet before his death, he was attempting to do a deal with the military – offering to renounce his claim to the presidency in return for freedom.

The mass of Nigerians who looked to Abiola for leadership were being led to accept a further period of military rule. The deal was supported by the UN who offered Kofi Annan as a broker for the agreement.

By waiting for Abiola to negotiate his deal the opposition missed a real opportunity to use the military's disarray to launch mass action and a fight for real democracy.

On 21 July, Abubaker, ignoring his previous announcements, outlined his own plan for a democratic transition:

- he committed the government to releasing all political prisoners
- all previous elections under Abacha

were to be annulled. Officials elected during this period were to be sacked

- the five parties were to be dissolved and elections involving these parties were to be annulled

- organisations set up by Abacha and the military to ease the path to democracy were abolished

- civil servants replaced elected officials as rulers of Nigeria on behalf of the army

- free association within the limits of a new electoral commission would be allowed

- the new date for the election of a President was set for 29 May 1999 following parliamentary elections earlier in the year

- the constitution that will be used is to be Abacha's 1995 draft.

Abubaker has, in effect, postponed the whole transition from October 1998 to May 1999, and, if his plan goes unchallenged, ensured that any “democracy” in Nigeria will be carefully overseen by semi-military rule.

Imperialism's diplomats welcomed the plan. James Rubin of the US State Department said: “At first glance this is a welcome step in the direction of the kind of credible transition towards democracy that the international community has been urging.”

British Foreign Office minister Tony Lloyd said: “I welcome General Abubaker's statement committing himself to the restoration of democratic civilian government by May 1999.”

Commonwealth secretary general Emeka Anyaoku also was fulsome in his praise for the general's “democratic” credentials.

The reason for imperialist support for the military's postponement of elections is clear: oil.

Nigeria is one of the biggest exporters of oil. It accounts for 97 per cent of its exports and earns the country \$10 billion a year. Multinational oil companies like BP and especially Shell, make huge profits in Nigeria and have been implicated in human rights abuses.

Furthermore, the Nigerian military has played a key role as a local “gendarme” for imperialism: restoring the Kabbah government in Sierra Leone; overseeing elections in Liberia; and generally playing the strong man in West Africa. Imperialism is happy to see Abubaker hold on to power.

For the Nigerian opposition, Abubaker is offering more of the same. The major opposition grouping, Nadeco (an umbrella organisation of bourgeois democracy groups), issued a 13-point reply to Abubaker. It noted with regret the rejection of its demand for a national sovereignty conference and its demand for a government of national unity along South African lines. It was also critical of the postponement of the return to civilian rule. Yet Nadeco refused to call for a boycott of the transition arrangements.

All the major opposition groups are wedded to the defence of capitalism and private property. Some of them believe

that the military can safeguard their interests and defend Nigeria from “unrest”. Others want a complete return to bourgeois democracy.

But none of them will sanction independent mass action to overthrow the military. They fear the only force that could lead such action – the organised working class – more than they fear military rule.

But for the workers and peasants, capitalism and domination by multinationals promise only more exploitation and repression. Nigeria's wealth will be syphoned off by corrupt politicians and bosses in uniform or in civilian clothes.

The working class has the power to overthrow military dictatorship in Nigeria, but to do that the workers' organisations have to break politically from the “democratic opposition” and take away the power, not only from the soldiers' government but also from their backers: the Nigerian ruling class and the imperialist oil giants.

## NIGERIAN WORKERS FACE REPRESSION

**Workers' organisations and democratic opponents of military rule in Nigeria have faced severe repression over the last four years.**

- In 1994, during the oil workers' strike, the government dissolved the national executive of the Nigeria Labour Congress (NLC), which organises around three million workers and placed the NLC under state control.

- The government also dissolved the blue collar oil workers' union NUPENG and the white collar oil workers' union PENGASSAN. Abacha arrested Frank Kokori and Milton Dabibi, the leaders of the two unions.

- In August 1996 the government dissolved three campus-based unions and seized their assets in response to a university strike.

- In January 1997 Abacha introduced a law granting the Labour minister powers to revoke the registration of any union “due to overriding public interest”. He also banned unions from any affiliation to international bodies.

- During 1997, the State Security Service prevented meetings on the subject of labour unions in the northern city of Kaduna and broke up May Day rallies in Port Harcourt in the south.

- On 19 June the International Labour Organisation launched an inquiry into abuse of trade union rights in Nigeria after Abubaker's government refused its request for an inspection team to visit the country and meet with imprisoned trade unionists.

# US delivers death to famine-stricken Sudan

HOW CAN Sudan, a country wracked by civil war, economically bankrupt and where an estimated two and a half million people are threatened with starvation, be seen as a threat to the United States?

The answer is simple. The current regime, a dictatorship run by military strongman Hassan al-Bashir, has allied itself with Washington's paramount enemies: Iran, Iraq and Libya. It has provided bases and training to members of Hamas from Palestine and a home, for a whole period, to the Saudi financier Osama bin Laden, now declared by Clinton “the world's No 1 terrorist”.

But Washington's hostility to the regime in Khartoum is only recent. Like bin Laden, the government of Sudan was allied with Washington in the war against the Soviets and their

allies in Africa.

The west turned a blind eye while President Nimeiri, in power from 1969 to 1985, created a one-party state and abolished the limited regional autonomy won by the predominantly Christian south. It was Nimeiri who introduced Islamic law throughout the country – which led to the resurgence of the civil war – and who strengthened the Islamist parties by promoting them in government.

This was a small price to pay when the Sudanese government was being used by the USA to destabilise the pro-Soviet government in Ethiopia.

By the same reasoning the Sudan Peoples Liberation Army (SPLA), led by John Garang, which was fighting for regional autonomy for the south, was refused support by the US.

The divisions between the north and the south of Sudan are rooted in Britain's colonial rule of a country whose borders it artificially created. The north was mainly Arab and Muslim, the south was made up of pastoral peoples who were principally Christian or animist. Britain encouraged missionaries to work in the south and established “closed areas” which effectively prevented north-south integration.

In the run up to independence and after, the southerners demanded recognition of their “differentness”, fearing domination by a Khartoum-based, Muslim influenced government.

Refusal to grant such autonomy led to armed conflict from the mid-1950s onwards. The civil war was only ended by an agreement in 1972 which granted the south a regional assembly.

Nimeiri tore up this agreement, renewing the civil war with even greater ferocity.

The SPLA leadership, despite fighting for a legitimate cause, is in no way politically superior to the Khartoum regime. Opposition in Garang's movement was ruthlessly dealt with, leading to a series of splits in the SPLA in the early 1990s and vicious fighting between southerners.

Clare Short shocked the aid movement when she declared that pictures of starving children in Sudan might produce “compassion fatigue” and that the real need was not aid but an end to the blocking of supplies for political reasons by both sides in the civil war.

Thousands, perhaps hundreds of thousands, of Sudanese are starving to death. The pictures of starving children

in the western media do not produce “compassion fatigue” but bewilderment and anger that such things can be allowed to happen. We have a society that can deliver death and destruction through a cruise missile with pinpoint accuracy half-way across the world, yet cannot deliver enough food and medical aid to stave off a devastating famine.

The reason for such sickening priorities is imperialism's military and political self-interest. The US once treated Sudan as on the “right side” but now it demonises the country as a terrorist stronghold.

Civil war, mass killings, famine and starvation are rooted in the legacy of imperialism in Africa and in its continuing grip over the wealth, natural resources and political regimes in the continent.

# GM bosses retreat as more US workers strike

The USA's media is obsessed with Bill Clinton's sex life. But far more interesting than the presidential scandals, writes **GR McColl**, are the battles being waged by thousands of US trade unionists who are taking heart from the strike at GM



The GM strikers showed great militancy but the "Buy American" campaign revealed their political backwardness

**T**HIS TIME last year the US Teamsters' union took on and beat the multinational freight carrier, UPS. The outcome of the 15-day strike, involving more than 275,000 Teamsters, prompted a bout of heavy fretting in the business press about what they dubbed the "workers' backlash".

They anxiously asked if the Teamsters' strike marked a resurgence of the organised working class after nearly two decades of defeats and "giveback" agreements.

Since that strike the Teamsters' union has endured a traumatic year, with federal government officials suspending Ron Carey, the ex-president, and then expelling him from the union for life. But there has also been further evidence that the UPS strike rekindled the fighting confidence of US workers.

The biggest battle of 1998 so far began in early June in Flint, Michigan – a city historically dominated by General Motors (GM) and a symbolic birthplace of the United Auto Workers (UAW) during the 1936-37 sit-down strikes.

UAW members at two of Flint's remaining GM facilities walked off the job within six days of each other, taking on the world's biggest car manufacturer in a dispute that lasted nearly two months.

Even though only 9,200 workers at the two plants were ever on strike, the dispute illustrated the strategic importance of relatively small groups of workers in a just-in-time production system.

Before the end of June production had ground to a halt at 26 of GM's 29

North American assembly operations, with nearly a quarter of a million workers – most of them UAW members – on indefinite lay-off. More than 100 plants in related supply industries shut down or curbed production.

Despite the layoffs, the Flint strikers enjoyed the support of the mass of UAW members elsewhere in GM as huge contributions poured in from other locals (branches) and delegations from 300 locals attended 19 July rallies in support of the Flint strikers.

The Flint strike was about job security and the threatened transfer of production away from Michigan. The deal cut at the end of July between UAW officials and GM bosses has not resolved those questions and a further clash is likely.

In contrast to its response to other recent wildcats, GM management dug in its heels against the Flint strikers. A 1996 walk-out at an Ohio brake plant ended in a negotiated deal within three weeks. GM never invoked anti-union legislation. With the latest strikes, however, GM had sought a ruling from a federal adjudicator to declare the strikes illegal.

The bosses were prepared to forego an estimated \$1.65 billion (£1 billion) worth of production in the hope of scoring a decisive victory against UAW members. While GM remains an immensely profitable global corporation, its domestic market share has continued to shrink and its unit production costs exceed those of its key US rivals, Ford and Chrysler.

Even though GM axed 75,000 jobs

earlier in the decade, its bosses have not been able to reverse its relative decline. With the prospect of a slow-down and possibly a recession in the US economy and the certainty of another round of radical restructuring in the global car industry, GM's top brass gambled that they could win a war of attrition with the UAW. They guessed wrong.

Despite substantial concessions by UAW bureaucrats over plant productivity and a *de facto* "no strike" deal until 2002 at one of the Flint facilities, GM bosses climbed down over the key issue of the unilateral transfer of production. At mass meetings in Flint to ratify the deal UAW members clearly felt they had won the battle.

Within days of GM workers returning to their jobs, more than 70,000 workers at the key telecommunications firm, Bell Atlantic, had walked out. Members of the Communication Workers of America (CWA) mounted picket lines along the East Coast from Maine to Virginia on 9 August.

This followed Bell Atlantic workers in upstate New York, who belong to the smaller International Brotherhood of Electrical Workers, striking against the company that is BT's partner in a £6 billion internet development and transatlantic call centre deal.

The initial CWA strike – triggered by increasing casualisation, outsourcing and Bell Atlantic's desire to keep internet projects a union-free zone – was over in less than three days. But the solid strike indicated the widespread anger of US workers at the price they have paid

during the bosses' boom in the 1990s.

By the following weekend (16 August) another 34,000 CWA members were on strike against US West, the main telecommunications firm in 14 states. They were opposing the bosses' demands for compulsory overtime and a new system of performance-related pay.

Another important battleground has been public transport. Shortly after the UPS dispute, transit workers in the San Francisco Bay area mounted a successful, week-long strike. In the spring of 1998 Philadelphia's public transport system ground to a virtual halt as workers struck for 41 days, winning a contract that was a big improvement over the bosses' final offer.

The most spectacular display of militancy came in New York City on 30 June when an estimated 40,000 subway and construction workers, and their supporters, took to the streets of the Big Apple during the morning rush hour. Their protest against management's decision to award a major infrastructure contract to a notorious anti-union employer erupted into a bloody street battle with New York City cops, leaving dozens injured.

To take full advantage of this resurgence socialists need to recognise the continuing weaknesses of the US workers' movement. Despite the expansion of the US workforce, as the official unemployment rate fell to 4.5% by spring 1998, unions have not managed to stem their declining numbers.

In 1997, union density slipped once again from 14.5% to 14.1% of the workforce. Unions may no longer be losing

members, but at the same time the vast majority of the US working class remains unorganised.

A key task for militants is to reverse this decline. The strikes show the value of unions to millions of workers, winning clear cut advantages for them over their unorganised brothers and sisters. The message, "militant action by militant unions works" needs to be taken onto the road by an army of union organisers.

Part and parcel of launching such a drive, though, means rank and file militants will have to take on and defeat the union bureaucrats, who are at worst corrupt, pro-business time servers, at best reformist manoeuvrers prepared to use action, but only so long as they stay in control. Rank and file workers need to take these union barons on in an all-out fight to transform the unions into democratic, class struggle organisations that can really appeal to the mass of US workers.

Aspects of the recent GM strike itself highlight another serious, explicitly political weakness of the current revival. Placards dotting the UAW picket lines at Flint frequently carried slogans urging supporters to "Buy American".

These protectionist sentiments were apparent on the UAW's "solidarity website" on the internet. The implied argument that the real enemy of American workers is not US capitalism but overseas competition could all too easily drag US workers behind the politics of economic nationalism espoused by a wing of the bosses.

When the economic crisis deepens, protectionist politicians are certain to emerge from among both the Republicans and Democrats between now and the 2000 presidential election. Some of these candidates – in particular Richard Gephardt, the leader of the Democrats in the House of Representatives – will make a strong pitch for the unions' support.

A key task of socialists in the US unions in this period will be to win the argument against economic nationalism, however radical its rhetoric, as it ultimately weds US workers to US bosses. And the unions' historic alliance with the US bosses will act as a brake on the revived militancy unless it is broken once and for all.

The case for working class internationalism in the face of a global employers' offensive will be crucial in the ongoing fight to establish the political independence of the US working class once and for all through a decisive break with the Democrats and the creation of a new party, rooted in the US working class and based on a revolutionary programme for the overthrow of racist US imperialism. ■

## BALKANS

# Support Kosovars' struggle for freedom!

"I SAW two planes coming in from the direction of the mountains. Then two helicopters began to circle. Suddenly, there was a noise like we had never heard before, and the whole village was shaking."

Dr Mustaf Shala was describing a Serbian offensive on the Kosovan Albanian village of Lodja last month. The attack was identical to countless others: bomb the village, move in and set fire to the houses and school, and issue a cyn-

ical invitation for the Albanian inhabitants to return to a Serb police garrison. This is ethnic cleansing, Kosovostyle.

The Serbian government has now regained control of nearly the whole of Kosovo. Yet, back in early July, the Kosovan Liberation Army (KLA) held a third of the province's territory and talked confidently of taking the capital, Pristina. Why the change of fortunes?

The latest Serb offensive started on

17 July. The day before, a Pentagon spokesperson had announced that Albanian Kosovars "need to know the cavalry is not coming". The USA had brought the KLA leadership into talks, encouraged them to launch an offensive and hinted at military support in the form of air cover and even limited ground forces. Then it cynically declared, "You are on your own", giving the green light to Serbia to regain their lost ground.

More than 500 Kosovars have been killed in the last six months and 200,000, 10 per cent of the population, driven from their homes. The West's only concern is to prevent the fighting spreading to Macedonia or Albania.

The last month proves beyond doubt that the gentlemen of the Contact Group are no friends of the Kosovar liberation struggle. They played the KLA along, only to pave the way for the Serbian onslaught on it. Their purpose was to

remove the threat of any mass insurgency when they decide to broker a deal.

All those who look to imperialism or its agencies as a solution to the Balkan crisis are totally wrong and cruelly misled. The workers and peasants of Kosovo must rely on their own organisations and the workers of the region to win their war against Serbian oppression.

- Solidarity with the Kosovar national liberation struggle!
- Imperialism out of the Balkans!

# Is the SPD frightened of victory?

Germany's Social Democrats are trying to reassure the bosses that they will uphold all the recent attacks on the working class if they win this month's elections, explains **Martin Suchanek**

THIS MONTH'S general elections could see the end of the Kohl era in German politics. After sixteen years of conservative rule under Chancellor Kohl, the vast majority of the working class is fed up with his politics.

It is still possible that the ruling CDU/CSU might win overall majority in the next parliament. For while many are disillusioned with the government's record, the Social Democratic Party (SPD) – like both the former Stalinists of the PDS and the Greens – are rightly viewed with suspicion by many workers. In that sense the opposition is the only card Kohl has left.

Clearly, it won't be the very modest "upswing" of the German economy and the small and temporary decline in unemployment, that will rescue Kohl. The economic and political crisis in Asia and, even more so, in Russia have many economists predicting a fall in exports. Rather, the German economy is likely to be drawn into an international recession sometime during the coming year.

So what's the SPD's problem? Why might it prove unable to "do a Blair" and oust a discredited and weak government? Because it not only has to win the elections, but also reassure the ruling class that it will be more capable of managing the political affairs of the capitalist class than an open bourgeois party; that it won't undermine the very real gains in productivity and export growth that the big multinationals have made over the last few years.

All this means that any future Social Democratic government has to make itself much less vulnerable to working class pressure, less accountable to party decisions than any other SPD-led government since the war. The election campaign of the SPD so far illustrates this.

The SPD does not aim for a government of its own, but wants a coalition with a party free from any organic link

with the working class, be it the Greens or a great coalition with the CDU, the main party of the German bourgeoisie. This would provide a lever for the German bosses to exert pressure on such a government and a means for the SPD to justify concessions to its "coalition partners".

The SPD has already presented a "shadow cabinet", a list of ministers for the next government, including both representatives of the right wing of the trade union bureaucracy, like IG-Metall deputy chairman Franz Riester, and "independent" capitalists like Stollmann, who will become the economic minister. By including bosses like Stollmann, the SPD leader, Schröder, wants to make sure that he is bound as little as possible by party decisions or by the trade union bureaucracy.

Significantly, the SPD election programme is promising as little as possible to the working class. Its main commitments are:

- the reintroduction of legislation that Kohl's government abolished, such as 100 per cent sick pay and safeguards against being made redundant;
- a reduction of unemployment by

increased taxation, a public works programme;

- abolition of the most exploitative forms of precarious work;
- compulsory social insurance for all forms of work;
- every young person shall have the right to an apprenticeship, paid by those companies who do not train any or enough apprentices.

All these promises are conditional on there being enough money left in the budget to finance them. Clearly some of them, for example those which do not effect the central or regional state funds, are likely to be introduced early under an SPD government in order to provide cover for other attacks – such as the privatisation of state owned enterprises and services, further redundancies in the state sector, toughening of the eligibility criteria for unemployment benefit. In addition we can expect the introduction, or strengthening, of criminal laws, further flexibilisation of work, and the revision of nationally agreed wage agreements.

Schröder's problem will not only be that the concessions he can offer the working class will be dependent on

and limited by economic growth. His government will also come into power in a period of rising class struggle, where the working class has proven over the last year that it is able to repel strategic attacks by the bosses and the government.

And it clearly has been after such successful struggles that the SPD has risen in the opinion polls. That even applies to Schröder's success in the regional elections in Lower Saxony in the beginning of this year where, as prime minister of this region, he had re-nationalised the Salzgitter steel plants in order to prevent redundancies.

It was this measure, which led to a strong increase of working class votes for the SPD in these elections which boosted the SPD's campaign for victory this month – not the "modernising" concessions to neo-liberalism which can be found in his present electoral manifesto.

To forestall future pressure on an SPD government the incorporation of the labour bureaucracy into the government will be crucial for the success of the attacks by such a government

We can expect an increase in deals struck between the unions, bosses' asso-

ciations and the state at least in the early period of an SPD-led government. The so-called pact for work, originally proposed by IG-Metall leader Klaus Zwickel as an exchange of voluntary wage restraints against the creation of jobs, will become a major vehicle for the government's politics over the next years.

For working class activists in the trade unions and factories, for the youth and unemployed, the first months of an SPD-led government will be a period where they will run up against a relatively unified labour bureaucracy and a mood within large parts of the organised labour movement to "give Schröder a chance". A key task will be to gather together all rank and file activists in the SPD and trade unions to put an SPD government to the test around demands for "no coalition with open bourgeois or petit-bourgeois parties" and the fight for the immediate implementation of the progressive promises the SPD has made.

They need to put these demands on the unions, the SPD and the Stalinist PDS, at the same time as fighting to bring into being new and independent committees of struggle. These should be directly elected by the workers, the youth, the unemployed, and capable of struggling for these demands if the reformist party or trade union leaders refuse to fight.

This will not only be necessary to prepare and bring about a rupture between the rank and file and their leaders, but also in order to draw those workers, youth and unemployed into a common fight against the bosses and the government – who may otherwise turn to the extreme right fascist and racist forces.

Unity in action between all working class organisations is crucial in the period ahead, as is the fight for a revolutionary action programme around which to assemble a new revolutionary socialist party in Germany.



SPD leader Gerhard Schröder celebrates with steel boss Hans-Joachim Selenz

## COLOMBIA

# Militants speak out against austerity and repression

**Workers Power spoke to two Colombian teachers, Victor and Maria, who have been involved in the struggles against political repression and the austerity attacks of the government.**

**WP:** There seems to be an intensification of paramilitary activity in Colombia?

**V:** Today there is an offensive against certain sectors of the population and in certain areas. Fundamentally this offensive is designed to defeat the guerrillas, but the people are suffering the most violent repression there has been over the last few years.

The reason they need to destroy the insurgent movements is because since 1990 the government has been intensifying their neo-liberal attacks. They could do this thanks to the weakening of the workers' and peasants' organisations which came about through the "dirty war". At the same time the fall of the Socialist Bloc led to a demobilisation of some insurgent forces.

But there has been a pole of resistance that has proved difficult to destroy. This pole has been made up, in great part, by the guerrilla movements that were born in the 1960s.

Before, when the workers' and peasants' organisations had begun to link up with the guerrilla

movement, it gave the state a big headache.

**WP:** You spoke about the "fall of the Socialist Bloc", how did the collapse of the USSR affect the left in Colombia?

**V:** Despite the fact that there are many who have major criticisms of what was, as they called it, "really existing Socialism", it was a point of reference for the whole Colombian left.

With the strengthening of the US after 1989 sectors of the left moved rightwards. Some on the left argued against the revolutionary struggle and they began to hand over their weapons.

Others reacted by softening their political programme, making it less radical, limiting themselves to democratic demands, leaving aside the socialist part.

But the fact is that we are still faced with a situation of misery and the only solution to this is the struggle for socialism, for a socialism constructed in a different manner, perhaps in a Latin American way, without ceasing to be internationalist.

The collapse of the USSR did make people realise that the revolution would have to be constructed on its fundamental base – which is the people, the movements of the workers, of the peasants, movements of the poor. It is now clear that it isn't possible to construct socialism

without developing the revolution at the continental and international level and that it cannot exist in a single country or even in one continent.

The revolutionary struggle has to base itself on the solidarity between all those struggling throughout the world. There has to be international solidarity between the revolutionary left. The workers in Europe or Asia should seek the solidarity of the Latin American workers. At the same time Latin American workers should think about how they can link up with the world struggle. So, out of this crisis a more internationalist position has grown in the middle of a fairly difficult situation.

**WP:** How are people resisting the attacks and repression?

**M:** There has been talk of a national protest strike against the government. This has developed out of a series of strikes and struggles by public sector workers and teachers for better wages. There is a privatisation programme which attacks the jobs and conditions of state employees. There has been resistance against these plans and this has linked up with the wage struggles of other workers.

There are other struggles as well such as over the provision of housing, particularly in the *barrios*. Then there are also coca peasant move-

ments who are very different from the drugs traffickers. These are all partial struggles that are generating the idea that what we need is a united national day of action.

It isn't accidental that we have seen an increase in the activities of the paramilitaries, in massacres and assassinations. With the possibility of co-ordination between different sections of the people, the Colombian state is looking for a way to hold back this process. Their aim is to create fear among the population. Within the new communities in the *barrios*, where up to now the level of paramilitary activity has been lower, they want to create panic.

At the same time the government talks of peace. The Colombian bourgeoisie is clever because it has been able to combine using democracy with bloody repression. This strategy doesn't just originate from the Colombian state; it is the strategy of the US government. The aim is to lead towards a peace deal, like the peace agreement in El Salvador, which meant more poverty and continued violence; or the peace agreement in Guatemala where the guerrilla groups disarmed while the death squads remained active.

The US government and its allies like Britain, the multinationals want this peace only to be able to invest and make even more profits.

# ECONOMIC CRISIS

Are we about to witness a meltdown for the millennium? Heavy losses on the stock market, worsening East Asian economic woes and Russia devaluing the rouble are a few of the elements making this the most turbulent of decades. Over the next four pages we chart the emergence and development of this critical phase for world capitalism and outline what the working class response is and what it should be

**T**he crisis in the world economy and international politics has sharpened dramatically. The different strands of the rapidly multiplying economic and political crises around the globe could be drawn together at any moment:

■ Millions of workers and peasants in Indonesia, Thailand, Malaysia and South Korea face deepening misery because of a catastrophic slump in production of 20 per cent or more in the last six months. Living standards have collapsed, unemployment has risen by between 5 per cent and 20 per cent. Pre-revolutionary and even revolutionary situations have arisen in the region as demonstrations, strikes and factory occupations throw the governments and employers back on their heels.

■ The Asian economic crisis now threatens to overwhelm Japan, the second largest economy in the world. Political paralysis has immobilised the ruling party. Failure to act decisively to restructure banks and industry – and confront the Japanese working class in the process – could lead to further stock market and currency collapse and quickly spread the economic crisis across the world, in particular to the USA.

■ Russia is on the brink of a major political and social crisis. The impact of the Asian crisis on Russia's economy coincides with the failure of the Yeltsin regime to restore capitalism. A crisis of state finances has led to devaluation and ruinous price increases for an already impoverished working class, sections of which are just beginning to reorganise and fight back.

A synchronised world recession or slump would fracture world trade and investment and deepen the political crises faced by bourgeois governments. We are entering a new and decisive phase of the international class struggle.

**A** new world historic revolutionary period opened up with the downfall of Stalinism in 1989-91 and the end of the Cold War. The United States and its allies won that contest. The new order was theirs to make at will, or so it seemed.

The LRCI argued that this period would have a profoundly revolutionary character. The downfall of Stalinism and the rightward shift of the reformist labour movements and union bureaucracy signalled that the new period would start with an opening counter-revolutionary phase, but one that would end in the short term as the capitalists returned and the crisis of capitalist restoration gathered pace.

Against this, many on the left argued we had entered into a profoundly reactionary period, maybe one which would last many decades. With the ruins of the bureaucratically centralised economies crashing around us and the triumphant cries that capitalist democracy and the market was the only possible, the final and perfect form of society, this mistaken perspective gathered credence on the left.

The serious defeats of workers struggles in the 1980s, the aborted political revolutions of 1989-91 in Eastern Europe, Russia and China and the imperialist victory over Iraq in 1991, all contributed to the ascendancy of bourgeois democratic counter-revolution – but it could not last.

On the basis of a protracted, if historically weak, economic recovery the US imperialists fashioned a domestic consensus for the diplomatic initiatives of the post-Gulf war period. Internationally the USA has been able to count upon Europe's political weaknesses and disunity to command adherence to its limited containment projects from the Balkans to Africa: avoid committing ground troops; enforce economic sanctions to secure concessions; and remove destabilising regimes by backing domestic opposition where necessary. At the same time a historic rapprochement with pro-capitalist bureaucracy in China was set in train.

The capitalist offensive in USA, Western Europe and Japan was met with weak resistance. Class struggle resistance in many countries hit

an historic low. The union movements in the imperialist countries shrank drastically from their peaks of the 1970s. The pro-capitalist bureaucracies and the emerging capitalist class in Eastern Europe and Russia started a process of capitalist restoration which led to a destruction of social wealth and industrial output not seen in the world since 1929-33.

The political demoralisation wrought by decades of Stalinist oppression – and the hijacking of the revolutions of 1989-91 by bourgeois forces – forced the working class of the former Stalinist countries to face the attacks on living standards without even the most rudimentary economic and political organisations. The onslaught unleashed by the introduction of the market went almost unchallenged.

In Latin America the bourgeoisie intensified its neo-liberal offensive, fronted by various populist politicians. And the ruling classes of South East Asia, exploiting the huge profits generated by the working class under semi-dictatorial rule and spurred by the massive inflow of imperialist capital, claimed to have discovered a new road to advanced capitalism – the twenty first century would be the "Asian century".

In China, after smashing the student and workers' democracy movement in 1989, the bureaucracy succeeded in combining hectic economic growth in the capitalist sector with relative social peace.

In summary the most important and most generalised characteristic of the counter-revolutionary phase was the combination of weak class struggles and accumulated defeats. This created a temporary equilibrium favourable to the world bourgeoisie. But the policy of containment only ever involved a partial suspension of the contradictions between nations and classes, between the oppressed and the oppressor – not their resolution.

That is why the LRCI insisted that the equilibrium would not be prolonged, let alone be the basis for an entire new historic period. Now it is clear that we were right. The democratic counter-revolutionary phase is at its end and we are entering a new phase of political instability and class struggle.

The end of the six year global recovery is in sight. The way in which it ends will decide the tempo and depth of the class struggles and interstate rivalries unleashed. US political and military hegemony will, at the very least, be severely tested.

The failure of the Russian restoration process has created a major political, if not yet military obstacle to US imperialist diplomacy, ensuring constant destabilisation in the Balkans, the Gulf and Central Asia. Moreover, nationalism is growing stronger in Russia as its crisis deepens.

US imperialism's one-sided dependence on Israel in the Middle East increasingly destabilises the region, not only in Palestine/Israel but inside the Gulf monarchies. Stable points of support among pro-US regimes in East Asia are falling. Domestic consensus in the USA for an active interventionist foreign policy will be eroded and the economic wherewithal to underwrite the IMF, World Bank and the United Nations will diminish. The USA will be less able to project its military power through its existing military alliances.

Meanwhile, the challenges to economic misery and social injustice will multiply as the masses recover their fighting strength.

**W**orld capitalism is peering over the edge of a precipice. The spectre of deflation haunts the whole system as a seven year long binge of industrial over-investment, property speculation and hyper-inflated stock markets threatens to come to a sudden halt.

The worst suffering today is to be found where capitalism yesterday claimed its greatest success – East Asia. The "miracle" economies are in a deep slump, having been the most dynamic region

of world economy for the first half of the decade.

Between 1992-95 abundant credit channelled by the state from domestic savings, together with easily available foreign funds, fed huge rounds of investment. A pre-condition of this investment was the existence of fixed exchange rates between the US dollar and local currencies. This guaranteed that the super-profits made by foreign investors would be repatriated at full value.

By mid-decade a crisis of overproduction arose from this over-accumulation of capital. Competition was intense: Japan, which failed to recover from the recession of the early 1990s, let its currency devalue from 1993 to boost exports. The dollar soared in value and with it the fixed East Asian currencies, whose exports in turn suffered. China devalued its currency in 1994-95 likewise to gain advantage over the "tiger" economies.

In turn profits, exports and growth were squeezed. The debt burden became more difficult to bear. Each Asian tiger economy had debts of between 30 and 50 per cent of GNP. Foreign speculators and investors doubted the ability of the tigers to sustain their interest payments. So they began selling local currencies for US dollars. Starting in Thailand in July 1997, local currencies collapsed under the wave of selling.

Once devaluation was underway each country in turn had to match its rivals to try to keep competitive. But the ensuing devaluation hiked up company debts (payable in dollars) to unbearable levels causing a tidal wave of bankruptcies, stock market collapse and mass unemployment. The crisis was unleashed.

The IMF agents arrived in the regions' capitals to take control of the situation: they insisted upon severe austerity as a precondition for loans. Huge cuts in welfare and wages, rising inflation and mass lay-offs were the result.

Unemployment in South Korea leapt from 2.6 per cent last year to 7 per cent and will reach 10 per cent at the end of this year. Unemployment doubled in Thailand and in Indonesia soared from 2 per cent to at least 10 per cent. According even to the rigged official statistics, 40 per cent of the Indonesian population are living below the poverty line; independent experts estimate that its already much more than 50 per cent! The years 1997/98 in South East Asia can justly be compared with the economic slump that hit Europe and America in 1929-33

**I**n the coming years bosses and their politicians will try to shift the burden of the crisis onto the working class. There will be massive attacks on both wages and welfare. This has already begun in South East Asia and Japan, and will soon spread across the globe.

Unemployment will rise to highs not seen since the 1930s as capitalists will lay-off millions of workers. More "flexible work practices", more unpaid overtime, fewer holidays, fewer breaks and lower wages will be the fate of those lucky enough to keep their jobs.

The crisis will not just hit the workers: it will hit peasants in the poorer countries and the middle class across the globe. In the USA particularly, the better-off layers of the working class and the middle class will be hit hard.

The working class will not accept these attacks without a fight. In many countries over the last few years the working class has begun to recover from the defeats of the 1980s and early 1990s.

In the mid-1990s a series of strikes and demonstrations shattered the calm of Western Europe. A general strike brought down the right-wing Berlusconi government in Italy in autumn 1994. The huge French public sector strike in winter 1995 forced the government into a climbdown on social security cuts and laid the basis for its electoral defeat in 1996. A mass strike led by the German IG Metall union in October 1996 stopped an attack on sick pay. The Greek working class has launched several general strikes in the last few years. The Danish workers shook their country's rulers with a huge general strike in

# ISIS DEEPENS

1998 and throughout Europe powerful sectional struggles have broken out, like those of the French transport workers and the Spanish public sector workers.

The militant action of the French unemployed in 1998 proves that the present upswing in the class struggle has mobilised layers that were left on the sidelines during the neo-liberal rampage of the 1980s. The election of Social Democratic and Labour parties into government in many Western European countries also reflects a strengthening of the working class after years of defeat.

A similar upswing in the class struggle has occurred in important semi-colonial countries. The South Korean proletariat – the vanguard of the South East Asian working class – proved in 1987, when it brought down the military dictatorship, that it is not doomed by some strange “Asian culture” to obey its rulers. The magnificent action of the Hyundai workers in resisting sackings at their Ulsan plant with a mass occupation underlines the self-confidence and fighting resolve of the South Korean workers.

In Argentina the working class waged two militant general strikes in 1996 and several local uprisings against Menem's attacks in 1996-97. In Ecuador a political general strike brought down the neo-liberal, populist Bucaram government. Similarly the massive and persistent struggles of the workers and peasants in Mexico and the landless peasants in Brazil show that the masses are no longer prepared passively to accept their rulers' counter-reforms.

The latest crisis has forced the masses in East Asia to scale new heights. In Indonesia – the fourth most populous country in the world – mass demonstrations of workers and students ushered in a revolutionary situation that forced the ruling dictator Suharto to resign.

Since then there have been continuous strikes, worker and student demonstrations and land occupations by poor peasants. The movement has forced the release of key political prisoners. The semi-legal militant trade union movement SBSI, supported by sections of the student movement, is calling for the resignation of the Habibie government.

In South Korea the hated right-wing president Kim Young Sam was voted out last December and replaced by the long-standing bourgeois democratic opposition figure, Kim Dae Jung. Similarly in Thailand a new government was elected.

This political crisis in the region reflects a break down of the ruling class bloc in which a relatively united bourgeoisie succeeded in securing its support from the peasantry and the urban middle classes, which had ensured stable political conditions for capitalist exploitation. Rival factions are emerging, some favouring submission to the IMF, others counterposing protectionist solutions and a nationalist rejection of IMF conditions.

This factionalism means the new regimes are weak: they lack a solid social base. They will enter a terminal crisis when the working class struggle intensifies.

The South East Asian working class and peasants are faced with bourgeois regimes which will try to push through austerity programmes, mass sackings, wage cuts and price and interest rate rises. But the vanguard of the working class has to understand that in the present situation the class enemy is extremely weak, that bold action could win over the unorganised masses, including the peasants and sections of the middle class, and throw the bosses and their governments into panic and retreat. To do this the workers movements must embrace the programme of socialist revolution.

**T**he working class must organise around an emergency programme of action to meet the economic crisis. All conglomerates, banks and multinational enterprises must be nationalised immediately under workers' control,



*The Russian masses were the first to suffer from the Yeltsin government's rouble devaluation: prices for their foodstuffs rose and their savings were rendered even more worthless*

with no compensation to the bosses. To fight unemployment the workers' movement must demand a massive public spending programme on useful public works, and in the factories demand that work is shared and that, instead of layoffs, the hours of work are cut, with no loss of pay.

To combat poverty, workers' must fight for a guaranteed minimum wage, paid also to the unemployed, and for the protection of pay against inflation by a sliding scale of wages with a cost of living index set by organisations of the masses themselves.

To break the hold of the imperialists, all debts to the imperialist banks and transnational lending agencies should be cancelled. The IMF austerity programmes should be rejected – but at the same time there should be no support to nationalist, protectionist campaigns by bourgeois or petit bourgeois forces.

Politically the workers movement must fight for a consistent revolutionary democratic perspective eliminating all special powers of the army, secret service, police, presidency etc.

As the unelected regimes collapse, the working class should fight for the convening of a revolutionary Constituent Assembly. They must oppose all chauvinist campaigns against immigrants (as in Malaysia and Indonesia) and all war-mongering designed to divert the attention of the masses from the social crisis at home.

The workers must champion the cause of all the oppressed. They must fight for the right of national self-determination of all nationally oppressed people, for example in East Timor or Irian Jaya.

The ruling classes will oppose this workers' solution to the death. They will, sooner or later, again send the armed state machinery to crush any significant workers' and peasant's movement which threatens their class rule. The working class must not limit its perspective to achieving reforms but must break the neck of the bourgeoisie and conquer power.

The workers' movement must build new forms of self-organisation, from rank and file committees in the factories to full councils of action, protected by workers' and peasants' defence guards and a people's militia to struggle for power. It must fight for workers' control on the economy and the disarmament of the bosses' armed forces.

In the end the only alternative to newly stabilised capitalist regimes, with brutal consequences for the exploited and oppressed, is the overthrow of bourgeois power and the creation of workers' and peasants' governments based on councils of the masses.

Workers should fight for a South East Asian federation of workers republics!

**E**leven years ago Japan prevented the stock market crash in Wall St from turning into a world depression by pouring money into the USA and preventing a crisis of ready money for US industry. By the early 1990s Japan was banker to the world. Now, the world's second largest economy, after being mired in economic stagnation for six years, is sliding deeper into recession.

Official unemployment, at nearly 5 per cent, is at a post-war high; real unemployment is twice that. A sharp destruction of failed capital would double even that figure. Japan is incapable of helping any country out of crisis – but it is capable of inflicting a great deal more damage upon them depending on which measures it resorts to over the next year: domestic slump or aggressive export offensive.

Japan is still suffering from a huge hangover after its 1980s investment binge. A succession of cures (devaluation, public works programmes, tax cuts) designed to revive the economy and consumer demand have utterly failed to revive its spirits. Quite simply, the cure was not drastic enough and only dealt with the symptoms.

For most of the 1990s the ruling class has refused to let failed businesses go bust, devalue

redundant capital and restore the conditions for profitable investment. It has been unable to muster the political will and unity for a frontal assault on the post-war system of spreading the cost of failure among rival capitalist sectors and guaranteeing full employment to a core of well paid workers and the middle class.

The bad investments made by Japan's banks stand revealed by the collapse of the “tigers”, yet the government still fails to act. So Japan will remain in recession. Consumer demand is rock bottom.

Both of Japan's escape routes from the current crisis will worsen the crisis in the rest of East Asia and the Pacific.

Plan A: Japan will relaunch an aggressive export offensive by allowing the yen's value to fall, inviting a massive speculative attack on the yen, provoking a further round of devaluations in East Asia and even China. It is already hovering around its 8-year low but one month after the US poured billions of dollars in to prop it up.

Plan B: the Japanese ruling class will finally accept a controlled destruction of failed business and banks. The result will be mass unemployment, political turmoil in the ruling class and further short-term collapse of consumer demand until the measures bring about a new concentration of capital and the restoration of the conditions for profitable investment.

Between one and the other of these choices lies a seismic shift in the whole post-war Japanese political order, with massive implications for the labour movement.

The present indecision inside the bourgeois camp will probably produce more chaos within established parties, including splits in the ruling LDP. New formations will emerge that seek to carry out neo-liberal reforms (like the Democratic Party of Naoto Kann or the Liberal Party of Ozawa).

To date, the working class has not been able to exploit these contradictions inside the bourgeois camp. The labour bureaucracy has succeeded in keeping the proletariat tied to the corporatist ethos which binds the interests of the workers to those of the enterprise where they are working. So class struggle remains at a low ebb.

Nevertheless, the recent electoral successes of the Japanese Communist Party show that working class opposition is growing. It is vital that Japanese workers do not follow the electoralist strategy of the union and CP leaders but rediscover their heroic tradition of mass struggle, as they did in the late 1940s. Fighting against all cuts, sackings and anti-working class tax reforms by means of strikes and demonstrations remains the essential immediate response to the crisis.

**T**he most populous country in the world has seen an unprecedented period of economic growth in the past 20 years. This was combined with a series of market reforms that strengthened the pro-capitalist forces inside the Stalinist bureaucracy. Today the bulk of the ruling caste wants to restore capitalism in China.

But now the time of double-digit growth rates is over. Growth is slowing as a result of a combined crisis of Stalinist planning and capitalist accumulation. The state sector is running huge losses and has as much as 30 per cent capacity idle. The state banks are extending loans to cover these losses. Profit-making industries in the coastal zones are in trouble, squeezed by the devaluations across Asia. Export growth has fallen to one third of its recent record levels. Investment has slumped as the rate of return on foreign fixed investment has fallen to 4.7 per cent.

The re-incorporation of Hong Kong has strengthened the nascent bourgeoisie in China but the recession in the enclave will accelerate the contradictions in the next phase. GDP in Hong Kong will fall by between 1 per cent and 4 per cent; the property market has fallen by 40 per cent and stock market value has halved in the last twelve months. As a result unemployment has doubled to 4.2 per cent – a 15-year high.

Continued from page 12

Growth below 8 per cent in China is not enough to absorb the millions moving from the countryside to the cities to find a job. The de facto bankruptcy of many state enterprises and the pro-capitalist policy of stopping loans to these firms, is laying the basis for a massive crisis. The Stalinist bureaucracy has adopted ambitious plans for restoring capitalism in the next years. State banks must clear their books, shed their bad debts and start lending purely on commercial terms. Industries are to be restructured and the number of government workers is to be halved.

China is heading towards a revolutionary crisis. This will result in splits in the bureaucracy, with some likely to press for limited democratic reforms. It will also lead to frictions between the centre and the provincial bureaucracy and between the pro-market coastal provinces and the inland provinces where planning and state ownership still prevail.

Already unemployment has grown to 10 per cent, but in cities like Beijing it has reached at least 15 per cent. Mass protests against unemployment and wage cuts will emerge – as will movements in favour of democratic rights, including the freedom to form independent unions. China has already seen an increase in strikes and other forms of worker protests. Independent unions have been formed in the underground. It is also likely that the movements against national oppression in Xinjiang/Eastern Turkmenistan and Tibet will again explode – a tendency prefigured by Uighur nationalist activists who organised a series of armed uprisings in 1997.

The organised workers must intervene in China's maturing crisis with a clear programme:

- No sackings and wage cuts in the state sector! Defend nationalised industry against privatisation! No to the privatisation of housing.
- Solidarity between the workers in the state and the private sector and those in Hong Kong! Fight together against cuts.
- Fight for the right to build independent unions. Integrate Hong Kong workers into these unions.
- Expropriate the multinational concerns and the new Chinese big capital.
- For an emergency plan to revive the economy and save the social gains! For a public works programme under workers' control.
- For democratic rights! Support the struggle of the oppressed nations like the Uighurs or the Tibetans for national self-determination.
- No to the reactionary one-child family system! Defend social gains like enterprise-level kindergartens! Defend women's right to work.
- For workers' councils and militias! For a workers' revolution to overthrow the ruling bureaucracy and open the way to the transition to socialism.

**F**or six years US big business has enjoyed rising profits on the back of a six year upswing. The Whitehouse joined boardrooms and banks in dismissing the Asian crisis as a regional difficulty. It would have little effect on what the US economists call the "new paradigm" of economic growth. Low inflation, rising productivity, a "flexible" workforce and the benefits of information technology were said to be able to sustain the recovery indefinitely – the so called "Goldilocks economy".

Flushed with optimism and mass savings from the middle class, the stock market increased 25 per cent a year in 1995-97, giving rise to a "bull" market fuelled by pure optimism and blind to any rational calculations based on profit growth.

Now the laws of economics are proving stronger than market hype. Company profits for the second quarter of 1998 were down 2 per cent, the first year-on-year fall for four years and the biggest for five.

The effect of Asian currencies' devaluation (50 per cent over 18 months) has forced US companies to react by slashing prices and profits. Now cheap Asian imports in high technology goods have eaten away at US company competitiveness. A 40 per cent drop in oil prices during this year is symptomatic of the collapse in demand and profits in the US commodities sector.

The collapse is making itself felt as a crisis of



Korean workers protest against IMF inspired austerity drive

overproduction; US companies kept output up by building up stocks in the first part of 1998; now they are accumulating at half the previous rate as production and investment is being cut. The next quarter will be worse, whatever the developments on the stock market. Profits will fall further and output will be close to stagnant. This will bring a reality check to Wall Street as the industrial cycle locks gears with the financial one.

Wall Street prices peaked on 17 July since when they have declined by 10 per cent. On 4 August the stock market panicked on news of a sales collapse by big companies and the market fell 3.4 per cent. On 21 August there was more panic selling across the globe. More such days lie ahead. The markets are obsessed with one question to which they have no sure answer: will the current "correction" turn into a crash, one deep enough to wipe out the gains of the last few years or even the whole post-1991 recovery?

The signs are ominous. Previous corrections did not take place against major deflation in the most dynamic region of the world economy; previous corrections did not take place against a very tight domestic labour market which has allowed workers the confidence to extract big pay increases, which are pushing up business costs as productivity tails off.

Further US profit collapse could impact upon dividends and share prices, bonds would then be more attractive, provoking a wave of equity selling. Or, Japanese companies could withdraw their US funds to cover a yen crisis, or to finance company restructuring. Further Asian (including Chinese) devaluations could provoke another collapse in demand and prices for US goods, forcing a major revision of profit projections and market valuation and hence panic selling.

However it arrives, a crash would reinforce the downturn and push the US economy into a severe industrial recession as domestic demand collapsed. Consumer spending has been the main engine of US growth in this cycle fuelled by stock market expansion.

In USA where the workers' movement suffered very heavy defeats during 15 years of Reagan-Bush rule, the UPS strike in 1997 and the GM strike in summer 1998, and the formation of a small Labor Party are early signs that a more militant reformist leadership is emerging in the unions. Hence the US workers are in better shape than for some time to withstand the renewed demands for "give-backs" and plant closures that are sure to accompany a severe US recession.

**I**n recent years Western Europe has been the arena for major class struggles. While the election of reformist governments and the current economic upturn has led to an ebb in strike action this year, Western European capitalism remains the link in the chain of imperialist states with the greatest potential for class struggle.

The European Union (EU) is the least exposed of the imperialist economic blocs to the effects of the Asian crisis. It invests and trades less with the region than Japan or the USA – and it competes less with its core industries on world markets. But countries like Italy, which are in greater

competition with the Asian tigers (e.g. through textiles), have already been hit. Likewise, German banking's exposure to Russia's debt crisis, while small, is significant enough to depress profit projections for the future. Naturally, a stock market meltdown that spreads from Japan through the United States would badly hit Frankfurt, Paris and London.

Faced with a major recession, all EU governments would strive hard to keep monetary union on track. This would imply a further severe deflationary attack on government spending to keep within the "Maastricht criteria". A series of sharp attacks on the working class and increased conflict within the bourgeoisie would soon follow.

In this context the EU working class must defend all its social gains with strikes and mass demonstrations. It must fight for full democratic rights of immigrants and against right wing parties. While it must avoid the trap of nationalist alternatives to the EU, it must fight to ensure that the costs of any crisis must be paid by the bosses who have profited most from EMU.

Working class activists must utilise the widening gap between the hopes of the masses in the reformist governments and the more and more limited room for manoeuvre of those governments. The vanguard must address the illusions of the mass of workers in the reformist parties by advancing a series of demands on the reformist leaders in the unions and workers' parties that meet the workers' immediate needs. At the same time revolutionaries should organise the rank and file to carry out the fight for these demands against the will of the reformist leaders when they refuse to meet them.

The Western European working class faces a serious obstacle to effective resistance. The defeats in the past 15 years have weakened the private industry sector workers in most countries. It is generally the public sector workers who are the most combative and well organised. In Germany, though, it is the well-paid engineering workers who occupy the advanced trenches in the class struggle.

In the class struggles in France 1995, in Germany 1996 or in the present struggles in Greece these layers are leading the fight against capitalist attacks. Their task is to rally the rest of the working class behind them.

To combat the danger of the bourgeoisie dividing the working class and playing off the mass of the workers against the well-organised or relatively better-off sections, the tasks of the hour are to forge class unity, organise the unorganised and build solidarity across sections of the working class – which includes active solidarity with the growing number of victims of racism in Europe.

**T**he deepening economic gloom spreading out from East Asia, has finally overlapped with the long standing crisis of capitalist restoration in Russia. Despite having imposed massive suffering upon the Russian working class since 1992 a series of Yeltsin-led governments have failed to turn Russia into a functioning capitalist economy.

The collapse of oil prices this year, partly as a function of the Asian industrial slump, has

made a huge hole in Russia's export earnings and state revenues, thereby aggravating the underlying structural crisis of the Russian economy, in the first place its banking system.

Yeltsin's economic "success" was to use a 1930s-style slump to cure inflation and stabilise the value of the rouble. He failed, despite massive privatisation, to restructure industry and finance along capitalist lines. Loss-making firms do not go bankrupt and capital is not concentrated in profit-making industry and commerce; workers are not sacked but neither are they really paid wages that reflect their work; banks are not true financial intermediaries, channelling savings and profits to the most productive enterprises and making a profit in the process.

Normal capitalist activity is a rarity in Russia today. Economic life is characterised by barter: debt-laden firms trade unwanted goods with each other; millions of workers avoid the banking and credit system altogether and, in the absence of regular wages, depend on subsistence hand outs from the enterprises and on their own green fingers to provide food.

Meanwhile the banks turn over bad debts instead of enforcing bankruptcy and seek to make their profits by huge speculative investments in the currency markets and in government bonds. Since, in general, there is no functioning capitalist industry producing profits, there is naturally no way that the state can systematically draw revenue through company taxation on profits.

Hence the state has no means to finance its own spending, including payment on government-held debt, the wages of its employees and the welfare of its citizens.

The Russian state hovers in mid-air. The undoubted capitalist form of this state machine cannot forever exist without bringing into existence the social content – capitalist relations of production – upon which to rest. Successive crises have isolated Yeltsin, who now has no significant social base inside the country. He finds support only from the Clinton administration and the IMF, which dictates the composition of his "government" and its policies.

The IMF sought to repair Russian state finances with a huge loan over the summer. But it proved insufficient. The central bank was using \$1 billion a week to defend the rouble on the currency markets and was still unable to meet the debt repayments to its foreign creditors; the huge backlog of unpaid wages were, of course, no consequence to Yeltsin. On 17 August the government devalued the rouble and imposed a debt repayment moratorium.

The Russian masses were the first to suffer: prices for their, mainly imported, foodstuffs rose. Their savings were rendered even more worthless. The oil and energy monopolies were pleased, as all this stands to boost their industrial exports and lower their domestic costs.

The crisis measure is possibly a fatal blow to Yeltsin since it throws away the only economic gains of his administrations: low inflation and a stable currency. Yet it could act as major pressure to unlock the crisis of capitalist restoration. The devaluation will lead to the destruction of many of the 1500 commercial banks whose dollar debts have, at a stroke, mushroomed. If a major bank collapse and centralisation results

then dependent industries too will feel the pressure to undertake the restructuring they have long deferred. This will have a major impact on the living conditions Russian working class.

The working class has suffered enormously in the 1990s. It has been robbed of its savings by hyper-inflation and seen its pensions eroded to nothing. It has suffered wage cuts of up to 50 per cent even when it has received them regularly, which is not the case for most state employees. The average wage is £1,000 a year. Forty per cent are living in complete poverty. They cling on to their (often phantom) jobs for the factory-based social entitlements that may still go with them. This is not capitalism – it is encroaching barbarism: it reflects on the one hand, the failure of capitalism to take root and on the other, the failure of Stalinist bureaucratic planning as an alternative to capitalism. Only genuine socialism, an economy planned democratically by the workers and a state based on their organisations – like the original soviets of 1917 – can bring order to this chaos.

In the coming months the IMF will urge the government to resolve the crisis of the restoration process by bringing mass closures and mass open unemployment to Russia, where no welfare safety net exists.

The Russian workers must act to rescue the country from the warring factions fighting over the spoils of restoration. The government has never been so weak and the working class has never shown its strength so much since the miners' strike of 1989. Class conscious workers must fight for a political general strike extending to all important sectors of the economy, demanding not just the payment of the wages but also the resignation of the government.

Workers must not trust the Communist Party (KPRF) of Zhuganov which has voted for key elements of the latest anti-crisis programme and has repeatedly backed down when faced with a decisive challenge from Yeltsin in order that its MPs can hold onto their fat parliamentary perks and salaries. The workers must build democratic councils of action. At the same time they must arm themselves against the threat of military or police attacks or maybe even a coup d'état. They must embark once again on a revolutionary road.

**T**he new phase of open crisis is characterised by the locking together of capitalism's problems: the downturn in Japan is locked together with the fate of the Asian tigers and restoration in China. The explosive failure of restoration in Russia is massively amplifying the effects of economic downturn in the western financial system and having a major impact on investment in the semi-colonial world. The crisis sets one national bourgeoisie against another, threatening local wars between states that have used the former Stalinist states as a military bargain basement in the 1990s.

The ideologists of capitalism, so smug only a few years ago, are in disarray. Although still rigidly adhered to by the IMF and World Bank, neo-liberalism is under attack and in retreat in theory and in practice.

For two decades this new religion taught the virtues of low inflation, balanced budgets, deregulation and privatisation. Pain would give way to gain for the world's poor, it promised: the 1980s boom in East Asia showed the way that all poor countries would now follow. This was the mantra of the World Bank and the IMF.

The parables of this new testament were easy to learn: government spending bad, private investment good; protected markets bad, unfettered capital flow good; public ownership wasteful, private ownership profitable.

But the crisis gripping world capitalism is the very product of these formulas and – like the Keynesian economics it replaced in the 1970s – neo-liberalism has no answers. Even professional pundits dust down their Marxist texts to seek an explanation of the business cycle!

Although piecemeal as yet, certain crisis-ridden governments are forced to abandon key planks of neo-liberalism. Russia imposes restrictions on capital flows; Japan seeks to reflate its economy through government spending; Thailand is nationalising the banking system. In due course no doubt the scribes will fashion a new economic orthodoxy to rationalise it all.

The working class must take advantage of the current ideological disarray and present social and political upheavals to stamp its mark upon society. It must lead all the exploited and oppressed masses, the peasants, the urban poor

the ruined members of the petit bourgeoisie and middle layers, out of the decay and stagnation that is capitalism and towards a new economic order where production is organised to meet human need: socialism.

There will be no shortage of occasions for the working class to play its historic role in the next year. Pre-revolutionary and revolutionary situations will multiply. But they will not last forever. Economic slumps can paralyse as well as galvanise the fighting spirit of the masses. Initial victories can be derailed by elections and the deceitful promises of new populist leaders. Every failure to defeat the bosses gives them time to regroup.

Class confidence and fighting organisation, rebuilt during economic recovery, can raise themselves to new heights faced with the coming bosses' offensive, or they can crumble under the weight of cowardly and treacherous leaderships. But the developing crisis, and mass struggles it is provoking, provide the best opportunities for a decade to rebuild a revolutionary leadership in the international workers' movement and within it a revolutionary party capable of intervening and leading mass struggles to victory.

No upsurge of class struggle develops in a vacuum. Resistance will be channelled through existing organisations of the working class. In South Korea and Indonesia today, in France 1995 or Germany 1996 or even the Russian miners' strike today, workers turn to their trade unions, rebuilding them and infusing existing ones with new members and vitality.

Such unions will come to play a more secondary role as the class struggle becomes offensive and political and the masses build new organisations, workers' councils, corresponding more closely to their revolutionary tasks. But in the immediate struggles ahead we must seek to rescue the unions from their bureaucratic and compromising leaderships, renewing the leaders at the top with revolutionary fighters and building rank and file movements from below to oust the bureaucrats and transform the unions into revolutionary weapons.

Without this the unions will become giant roadblocks, protecting bourgeois governments from the pressure of the masses and draining the energy of the masses in the search for fruitless compromises.

During the unfolding crisis the ruling regimes will try to rescue themselves by using plebiscites and even decrees that dispense with the need for parliamentary backing. Such measures, backed by the threat of force, can derail mass movements. For this reason the working class must struggle for the broadest democratic rights and seek to invest all authority for decision-making in fighting organisations, councils of action, rank and file assemblies.

Of all the weapons in the armoury of the class struggle in the next period the general strike will be the most important. In a situation of generalised crisis the general strike is a key that can open the door to the struggle for political power.

Many of the most basic and pressing daily needs of the masses, engulfed in mass unemployment and poverty wages, can only be solved by taking power into the hands of the working class and poor peasants themselves. Only then can they expropriate the wealth of the ruling capitalists and begin to order the running of society on the basis of satisfying general human need rather than for the private profit of a tiny minority.

It is critical that in the next round of struggles that the dominance of the reformist leaderships is broken. Today's relatively low level of class consciousness is the result of years and years of bureaucratic sell-out and ideological capitulation.

Recent events have shown the limits of reformism even where it has a "left" face. The Italian Rifondazione Comunista has saved the Italian government in every critical situation ensuring that the liberal Prodi had more success in carrying out social attacks than his right wing predecessor Berlusconi. The ex-Stalinist PDS in Germany had no class struggle perspective to offer the metal workers, miners or construction workers when they fought back. The French Communist Party did nothing to extend the mass strike in 1995 and everything to keep it under the control of their unions. It has now entered the Socialist-led government and will betray every class struggle that erupts so as not to endanger its coveted posts in the corridors of power.

In South Korea the reformist leadership of the KCTU, while certainly much less bureaucratized, has no strategic answer to the crisis and wavers between organising mass strikes and

accepting the social consequences of the crisis. In Indonesia the PRD and the independent union SBSI carried out heroic struggles against the Indonesian dictatorship. But the PRD has not learned the lesson of the military massacre in 1965 and still holds to the self defeating Stalinist conception of fighting for a popular front government with sections of the bourgeoisie first – and only after this for "socialism". The leader of the SBSI, Muchtar Pakpahan, despite his courageous record of opposing the dictatorship has terrible illusions in neo-liberal, "anti-corruption" politicians.

In Japan the Communist Party has already offered to elect the bourgeois liberal opposition leader Naoto Kann, readying itself to support his planned neo-liberal reforms. At the same time it is doing nothing to mobilise working class resistance at an enterprise level. In Russia both the KPRF and the union leaders will try their best to continue their policy of the past seven years of electoralism, fighting for the spoils of office and demobilising the masses who voted for them to put an end to the crisis.

The central lesson of history is that the spontaneous class struggle will come to a full stop or be thrown into reverse unless it is led by a revolutionary communist party and is thereby transformed into a conscious struggle for working class power. Every position won will risk being recaptured by the class enemy so long as the leadership of the struggle remains in the hands of reformists, open bourgeois forces or centrists.

If a revolutionary alternative is not built in time, the working class will again suffer terrible defeats.

Without exaggerating we can say: the most burning problem of the present situation is the question of working class leadership. The major task of all class conscious workers and youth, of all the oppressed who want to fight back against their oppression is to build a revolutionary party worthy of the name: one that can learn from past and present struggles, advance a programme of action that charts a way out of the crisis and a way forward to socialism and that sinks roots in the working class and the oppressed by placing itself firmly and fearlessly in the front ranks of the coming battles.

The centrist groupings and burnt-out militants from past decades who have lost the will to fight, are depressed by the collapse of Stalinism, disillusioned by the capitulation of Third World "anti-imperialists" and the seeming strength of the USA in the early 1990s are lost for the class struggle. Those who are prepared to ditch every revolutionary principle in the search for a short cut to the masses are equally lost, as are their sectarian twins who invoke so called revolutionary principles in order to abstain from the living struggle.

New layers of the working class, young workers, unburdened by past defeats, will come into struggle in the months ahead. For them the unfolding crisis will be intolerable, threatening as it does their entire future, their hopes and dreams of something better. These workers will display the fighting courage and resourcefulness that centuries of struggle have taught the working class.

It is the urgent duty of every socialist to match that courage and resourcefulness by a renewed energy and commitment to building parties and an International that can win the support of these workers so that their battles are directed towards the revolutionary destruction of world capitalism. The LRCI enters the unfolding period of crisis pledged to fulfil this duty.

**■ This article is based on a resolution of the international secretariat of the LRCI. For more on the Asian crisis read Trotskyist International 24 – price £1.50 (£2 inc p&p) available from the address on page 16**

*In a situation of generalised crisis the general strike is a key that can open the door to the struggle for political power*

FROM THIS month *Workers Power* has a brand new look.

Our new *Workers Power*, in stark contrast to New Labour, still champions the "old" principles of socialism. It is a voice for revolutionary socialism, class struggle and the oppressed; a voice against the bosses and the cowardly leaders of the labour movement.

But we recognise that after nearly two decades of neo-liberal attacks on the working class, and almost a decade since the collapse of the Stalinist regimes in Russia and Eastern Europe new problems and tasks confront a new generation of militant workers and youth.

With the end of Tory rule in Britain and the emergence of a growing crisis in the world economy and in international politics this new generation is preparing for major battles. It is doing so in a period when, on the backs of defeat for the workers' movement, the overall political experience and socialist culture within both the workers' movement and society in general have declined considerably.

A major part of our task is overcoming this. Our new paper will consciously address the youth and the politically inexperienced militants, making both the ideas of revolutionary Marxism and the demands of the revolutionary socialist programme accessible and, above all, relevant to them.

The paper has to combine in-depth coverage on socialist ideas, labour movement history and political analysis with agitational coverage of the class struggle in Britain and across the globe.

So from now on the paper will be divided into three clear sections reflecting the division between agitation, focused propaganda and Marxist theory.

And in response to requests from our readers we also include a page for culture, science, sport and personal views (held over this month to allow for coverage of the Omagh blast) – and a regular page for newer readers – "Marxism: The Basics".

We will make space for contributions from those in the labour movement and on the left who don't agree with us, as well as for reviews and debates.

A revolutionary paper is not just a source of information: it is a tool for building the revolutionary party. Our aim is to bring regular readers into activity: selling the paper, working with us in the labour movement, writing letters and reports for the paper and joining the group itself.

The new design of the paper has two aims: to make it easier to access the arguments and information contained within and to remove any confusion with the "red-top" tabloids which many left papers have modelled themselves since the 1970s.

We think the look now reflects the fact that *Workers Power* is the number one left wing publication for serious analysis and debate, as well as the only really revolutionary paper in Britain.

While we see the change in format as an advance for our paper, we will not rest content with it. The 16-page monthly reflects the limits of our resources – in terms of skills and finances – which in turn reflect the fact that we are a small fighting propaganda group, not a mass revolutionary party.

We urge all readers to join us. The first step is to start reading *Workers Power* regularly, coming to our meetings and selling the paper. We urge all regular readers to take out subscriptions.

*Workers Power* is a paper for those who want to change the world – who want to see socialism in their lifetime and are prepared to do something about it. Buy it, read it, show it to your friends and workmates. And tell us what you think. Make it your paper.

# Education as a right means

# NO FEES AND FULL GRANTS

## COLLEGES

BY A MANCHESTER UNIVERSITY STUDENT

THE ACADEMIC year that many thought would never come is here.

This year the introduction of tuition fees and the abolition of the grant is no longer a dire threat but a living reality for thousands upon thousands. In the history of the student movement this is probably the single most dramatic attack that we have ever seen.

The Labour government's stated goal is to expand the education system at every level, but all of its proposals have one thing in common. This government wants expansion on the cheap. Working class people – parents, students and education workers – will be made to foot the bill.

The whole education system is becoming ever more dominated by the needs of business. We see Education Action Zones which draw big businesses into school management; the loans company has been sold to Nat West; and the pressure is mounting on students to go to university to do purely vocational courses that may, just may, get them a well-paid job at the end.

If Labour is able to get away with the introduction of tuition fees and the abolition of maintenance grants without serious opposition then it will be emboldened in its refusal to provide the necessary funding for education, from nursery to tertiary level. Getting a good education will become the responsibility of the individual. Failure or the denial of access will be the fault of the individual, not the system.

New Labour will have eradicated from public consciousness the principle that education should be a right, should be free to all and that the government should pay for it. They will have betrayed the hopes of millions who voted for them because they thought the education system would be safe in Labour's hands.

Everyone who believes there should be a free education system should join in the fight to stop the introduction of fees and the abolition of the grant. This is not just a question for students and their parents today, but for all working class people and their children who need and deserve a decent free education system.



Bailiffs attempt to evict students at the UEL occupation last term

We must unite students, workers in the colleges, teachers and lecturers, trade unionists and other workers to prevent the further impoverishment of students who do go to university and the exclusion of others who are being deterred by the growing costs. We must demand with one voice that the Labour government pays for the education system we need and that the money to pay for it can easily be found – by taxing the rich.

The broadest possible campaign is needed to make Labour retreat on the fees and grants, but this does not mean that students should wait until they have the support of the trade unions.

The best way for students to win over support from, and joint action with, college workers and lecturers will be for us to launch a militant and determined campaign in all of the colleges.

The National Union of Students (NUS) leadership should be organising this campaign now. But to rely on them would be fatal. The NUS is a passive, ultra-bureaucratic, careerist institution that sold out the students it is supposed to represent long ago. Since the announcement of the Government's funding proposals, the leadership has been doing its best to prevent a fight against the fees and it is not even in favour of defending the grant. Its leaders have their eyes on future jobs in Blair's government, not on the needs of their members faced with Blair and Blunkett's attacks.

We must rely on our own strength. Last year saw the beginnings of a fight-back by students. Demonstrations for free education, nationally and locally, occurred across the country, and in Manchester, London, Leeds, and Huddersfield students went into occupation. Almost every local student union general meeting, where they were quorate, passed resolutions in favour of free education – against the official line of the NUS.

Already the Campaign for Free Education (CFE) has launched a non-payment of fees campaign: "Can't Pay – Won't Pay". The idea is to make the implementation of the tuition fees unworkable, drawing inspiration from the success of the campaign against the Poll Tax.

We should use every means of action available to us including trying to sabotage the system of payment. This could, if successful, cause a funding crisis within universities and consequently a political crisis for the government.

But if we limit the action to a non-payment campaign then it will only involve those students entering college this year and then only those liable to pay. Many students from poorer backgrounds, who don't have to pay the fees, will be excluded from the main arena of action even though they may be suffering greater hardship because of the abolition of the grants.

Alongside a refusal to pay, it is crucial that we mobilise all students in

action against the current attacks. Already there are a number of active groups around the colleges, the CFE, Stop the Fees (set up by the Socialist Workers Party) and Save Free Education (set up by the Socialist Party), involved in the campaign. United action between these campaigns is vital.

But above all we must build action committees in every college that can appeal to all students and to link up our actions with college workers and their trade unions. These committees must organise the greatest numbers of students with delegates from every course, faculty, site and student residence.

Action committees will mean we control the action that is taken. They will be the best way possible of uniting our struggles with the college workers and lecturers and should welcome the active participation of representatives from other campaigning groups and trade unions.

Militant demonstrations and occupations are the order of the day as well as a non-payment campaign. Rent strikes can be mobilised to protest against the fees and the scrapping of the grant.

If anybody is victimised or intimidated, students should occupy in defence of their comrades. Teaching unions should agree to continue to teach students who haven't paid their fees – a culture of resistance needs to be built.

Union general meetings should be called at the beginning of term, and activists must force their local leadership to support such moves. "Can't Pay – Won't Pay" is being supported by local unions including Sheffield, Leeds, and Oxford Brookes Universities.

Every student should go on the demonstration for free education on 18 November in London but we should start the fightback in the colleges long before then. A united national meeting for all activists in the colleges should be organised to co-ordinate action nationally and regionally.

We will have to build this ourselves and in the process challenge the NUS leaders to either give us their backing or make way for people who will lead a real national fight to win free education as a right for all.

## FEEDBACK ■ Contact us on 0181 981 0602

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