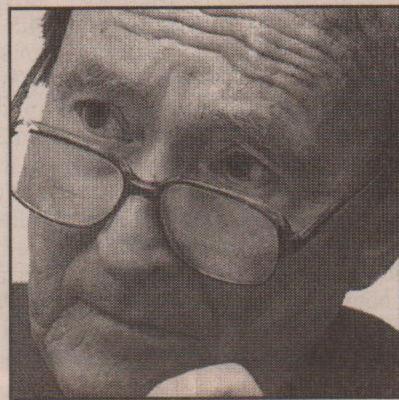
WORKERS POKER

Favouring the millionaires, failing the millions

Labour is in the bosses bocket



Lord Hamlyn - donated £2 million to New Labour



Christopher Ondaatje – donated £2 million to New Labour



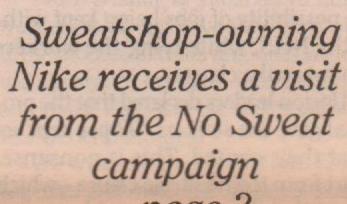
GM workers - face redundency and no help from New Labour

Report from Nice Euro-demo page 8



And more on the anti-globalisation movement on pages 5, 6 and 7

Taking down Niketown



- page 3

elections: no respite for Palestinians



We explain why there
will be no justice for the
Palestinians which ever
party wins
- page 10

TEW YEAR, new recession in view and a new threat to jobs. New Labour, new election in view, same old policies that fail millions and favour the millionaires.

The US economy is stalling and threatens to spread recession across the world. The first effects are already being felt in Britain.

A collapse in demand for cars has led to Vauxhall announcing the closure of the plant in Luton with the loss of 2,000 jobs.

The steel industry is set to follow suit. Corus (which took over British Steel) will cut 1,200 jobs and says that 20,000 of the 33,000 it employs could be threatened over the next couple of years.

The TUC has warned that as many as

10,000 manufacturing jobs a month could be axed this year.

Labour's answer to the looming jobs massacre is clear from its response to the announcements by GM in Luton. No nationalisation, no funds to convert the plant to useful work and keep the jobs and dependent communities intact. Nothing, except "fast-tracking of benefit claims", and advisers in the canteens telling workers how to make the redundancy money last.

Blair has pinned his leadership credentials on the fact that breaking down barriers to trade and investment can only result in continued growth and prosperity spreading to all.

Gordon Brown has been banging on for three years that his "prudent" policies have put an end to the cycle of boom and bust in Britain.

But before the duo can be found out they are likely to cut and run for an early spring election. Later in the year, and any US recession may well have reached the UK's shores.

Back in office there will then be more of the same. More PFI schemes through which Labour will pay back handsomely its growing band of millionaire supporters for their election donations. Tens of millions of pounds will be handed over to them in build-

But Labour is not going to get it all its • own way this year. RMT and ASLEF workers

ing schemes for roads, hospitals and schools.

on London Underground are balloting for strike action against part privatisation of the tube.

And at the polls the growing minority of workers fed up to the back teeth with Labour's big business backers, failed promises, attacks on refugees and youth will have a chance to vote for a socialist alternative.

Socialist Alliances in England and Wales plan to stand at least 50 candidates against Labour, while the SSP in Scotland plan to contest every seat. Building on the success of the London Socialist Alliance last May this year's contest can be the launch pad for a nationally organised fightback against Labour's second term.

DUDLEY HOSPITALS

Strikers battle on against PFI

"DUDLEY HEALTHWORKERS will fight on!""

That was the message, loud and clear, from the Dudley strikers' last mass meeting on 29 December. The meeting voted overwhelmingly for a further three weeks of strike action from 10 January. Around 600 Unison members in non-clinical posts for the Dudley Group of Hospitals NHS Trust have already come out on strike eight times since August. They have been outraged at plans to transfer their jobs to the private company Summit Healthcare, taking them out of the NHS.

This Private Finance Initiative (PFI) scheme envisages a new "super hospital" which will mean the loss of 170 jobs and 70 in-patient beds.

Strikers were informed at the mass meeting that the latest offer had been withdrawn by management, an offer they had already massively rejected. The offer which might have allowed the scheme to be renegotiated, hinted at the possibility of jobs being kept within the NHS, while tying the workers to a no-strike clause.

Unison leaders declared that the proposal gave the strikers "93 per cent" of what they wanted. This is nonsense. Apart from the no-strike clause - which meant that the strikers would not even consider the deal - it still gives no guarantees of what might happen a year on. As one striker commented: "We would be no further forward than we were at the start of all this".

Union leaders are still trying to get the offer put back on the table and no one should underestimate their ability to stab the strikers in the back. One of the strikers told Workers Power:

"The union leaders just aren't delivering the support despite all their promises. They're in and out of No. 10 all the time but they don't seem to take up our cause. They just won't rock the boat for Labour."

The strikers have shown immense courage and determination in taking on the government. But they have received poor support or even outright opposition from local Labour MPs and councillors.

"If the Tories were doing this, they'd all be out campaigning and everyone tocally would know what was going on".

Strikers are now planning to do mass leafleting house to house as well as around workplaces.

The mass meeting also voted in favour of standing a striker as a Socialist Alliance candidate against New Labour MP Ian Pearson for Dudley South in the general election.

This is a welcome political challenge to Labour's privatisation binge and to the union leaders' abject collusion with New Labour.

It is also a boost for the Socialist Alliance showing that it can attract support from workers in struggle.

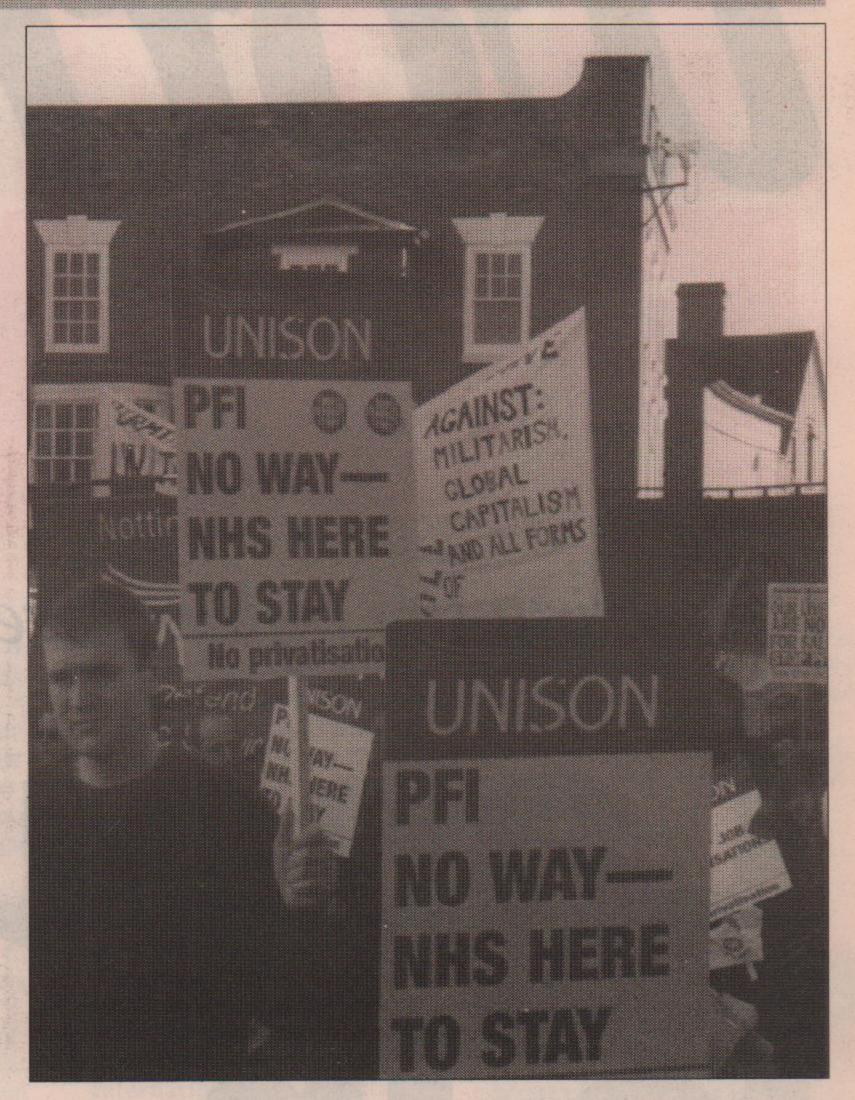
The next strike will involve protests in every health ministers' constituency. Healthworkers have also demanded that Unison call a national day of action including a national demonstration.

To build on the magnificent spirit of the strikers the strike itself must become more effective. An indefinite strike must not be delayed any longer. This should be used as a rallying cry for solidarity action now!

With further PFI hospitals being announced, a call must be made for union action in all those areas linking up with the Dudley strikers.

Further use of agency scabs must be halted, all hospital workers must throw their weight behind the strikers. Electricians are already being balloted.

Further links must be made in the local area to build a campaign of action throughout the labour movement.



Support anti-PFI Conference

DUDLEY'S STRIKING healthworkers are seeking to call a special Unison conference against the Private Finance Initiative (PFI).

The call follows the Dudley strikes and the announcement of a further nine PFI hospitals. Correctly the Dudley strikers have identified the fragmentation of the anti-privatisation struggles as a weakness which must be overcome.

They have already sent groups of strikers down to Hackney to link up with the struggles there against privatisation.

All Unison branches should pass motions supporting the call for a special conference. Such a conference would require the support of 25 per cent of the membership, if opposed by the National Executive.

The Unison leadership could well oppose such a conference since they will not wish to

embarrass their mates in New Labour by drawing attention to the impact of Labour's privatisation policies in an election year.

Rank and file Unison activists should support the call and be prepared to go ahead with an anti-PFI conference, even if Unison attempt to put bureaucratic obstacles in the way.

Rank and file workers in other public sector unions should also support the conference and send representatives.

Any unified campaign which emerged from such a conference would have to go beyond the simple demand for an end to privatisation. Public sector services have been systematically run down. Not surprisingly, some workers and service users see private money as a means to get desperately needed extra cash.

The fight against privatisation has to also be a fight to get the funding we need for high quality services for all. The money is there for the taking- it requires the political will to tax the rich to get it and then pump it into the public sector to dramatically expand and improve the quality of the services.

Opposition to the likes of the Railtrack bosses running not only our railways, but other services, is crucial. But the existing services are run by unaccountable public sector bureaucrats on massively inflated salaries.

We need to demand workers' and users' control of public services. Hospitals, schools, railways, councils should be run by the workers who work in them and by representatives of the working class communities who depend upon them.

HACKNEY COUNCIL

Fight New Labour's cuts

WORKERS ACROSS Hackney took strike action against cuts and privatisation on Wednesday 20 December. Thousands of workers were on strike and hundreds more refused to cross picket lines. Council offices, depots, social services and schools were closed down for the day.

Action began in the morning with picket lines, followed by a rally at the Town Hall and a march to the City of London to a piece of land sold off by the Council for over £80 million though they still say they can't afford to provide basic services. The money from the sale has apparently been earmarked for other things and can't be used to provide nurseries, libraries, social workers, meals on wheels, fixing roofs or stopping damp in those council houses which haven't already been sold off.

The City of London certainly was an appropriate target for the demo. Even if Hackney Council can't spend their £80 million real estate profit, they could get themselves out of debt immediately simply by refusing to pay this year's

and institutions.

The day ended with members of the local community joining striking workers for another rally in the evening outside the Town Hall and then inside the council chamber, where protesters successfully managed to prevent the council meeting taking place with oldfashioned heckling and, a more recent tactic in the class struggle, co-ordinated mobile phone ringing!

The council, controlled by a Labour-Tory coalition, still has plans to push through cuts totalling over £70 million. They wished Hackney tenants a Happy New Year with a letter in the first few days of January asking them to indicate their preference: pay £3 or more a week extra rent or live with the cuts (you pay for our mistakes, or live with our mistakes). A handy sliding scale is enclosed: more rent rises, less cuts - simple. Unfortunately, there is no box to tick for no rent rises, better services, no privatisation and kick out the councillors that voted for the cuts. Tenants should

But we need more than postal protests.

New Labour, in Hackney and in Westminster, know that the election is approaching. For those fighting the cuts in Hackney this situation brings both dangers and opportunities.

The danger is that New Labour's friends in the unions will be keen to defuse any struggle. Unison officials have already begun to suggest that rather than escalating the strike action in January, further strikes should be avoided. This is despite a massive "yes" vote in the ballot. National and regional officials will be looking for a few crumbs in order call off further official action. They already excluded the newly privatised waste disposal services - traditionally some of the most militant workers in Hackney - from the strike action in December, on the grounds that they were no longer employed by Hackney Council.

The New Year, however, also brings us the opportunity to make the crisis in Hackney a key political issue in the

Socialist Alliance should enable anti-cuts candidates to challenge New Labour at the ballot box. Plans for such a challenge already exist in the anti-privatisation struggle in Dudley in the West Midlands (see article). Hackney Socialist Alliance plans to stand a candidate against Labour MP Brian Sedgemore in Hackney South.

But for socialists the election is not just about candidates and ballot boxes. It will be an opportunity to raise the political issues with the working class across Hackney. Wherever Labour attempts to address workers, tenants and the wider community, anti-cuts anti-privatisation fighters must be there to challenge New Labour. We will have the chance to argue with workers across Hackney and beyond that there is an alternative to privatisation, an alternative to run-down services, an alternative to selling off our schools and our homes to the banks.

In this situation more strike action will be a vital part of the campaign. A three-day strike at the end of January looks likely. An all-out strike by coun-

annual interest charges to the City banks rectify this oversight by writing it in. general election. The existence of the cil workers in Hackney- a few miles from Millbank - would pile the political pressure onto New Labour.

A lasting impression of the strike action on 20 December was one of unity and determination. On the picket lines the mood was confident. Stewards spoke of 100% support, as section after section reported to the rally-from transport to housing, from teachers to park keepers. We need to maintain this unity in action.

A democratically elected and accountable strike committee is important. Regular mass meetings, already part of the campaign, need to be continued. And, if the fight in Hackney is to win, we will need the continued involvement and support of the whole of the working class, and that means building an action committee made up of representatives from the local unions as well as tenants and local community groups. The embryo of such a committee, Hackney Fightback, already exists. An urgent task for activists in January is to build Fightback and ensure it becomes both representative and accountable.

Niketown goes down

THE NO Sweat campaign in London was launched in style on 17 December by Revolution, the socialist youth organisation. Niketown was the target, a four-storey gleaming edifice in the heart of London's Oxford Street. Other actions against GAP and Nike have taken place across the country too.

No expense was spared by Nike to turn its flagship store in Britain into a monument to sport, with glass cases and displays of record-breakers' shoes and tops, cheering crowds piped over the tannoy and strange video amphitheatres to make you feel you're the champion. Of course, all this get-up is really just to out-do the competition in the image wars and sell loads of gear in the process.

The image is glitzy. The reality stinks. Behind Niketown stands an army of sweatshop labourers, hundreds of thousands strong, paid 16 cents an hour in Indonesia, forced to work 70 hours a week in Cambodia, living in dangerous dormitories under lock and key in China - virtual slaves to the machine.

Many are children as young as 12, and the majority are female, because they are considered more docile and less likely to unionise. The conditions are inhuman - in Nike's factories in Vietnam labour abuses documented by Vietnam Labour Watch include getting tape put over your mouth for "talking too much", being forced to stand in the sun for hours as punishment, being hit, sexually assaulted, and so on.

In the Dominican Republic, women are paid 8 cents for each \$23 shirt they make - they rip off the workers there and the consumers here. Nike earned \$400 million in profits in 1999 and its Chief Executive Officer (i.e boss!) Phil Knight has amassed a huge fortune on the backs of his workers, \$5.8 billion. Plenty of money for a pay rise there!

No Sweat UK is modelled on a high-



No Sweat demonstration outside Niketown, London, 17 December

ly successful movement that began in the US and has given birth to a network of international websites and campaigns, at the core of which are garment trade unions like UNITE! and United Students against Sweatshops (see destroyimf website link below).

In Britain it is first of all aimed at the hypocritical clothing and footwear giants like Nike, Gap, and Adidas: behind the bright lights of Niketown lies the super exploitation and brutality of Nikelabour. That's why Revolution decided we'd take them at their word and "Just Do Them".

About 15 elves hi-hoed and fa-la-laed their way to Niketown bearing a giant Nike shoe, marched along by a nasty Nike Santa. "What's the coolest company in the whole wide world?" shouted Santa -"NIKE is!" yelled the elves.

They worked long and hard with occasional groans (Santa don't we get Christmas off? No we need to fill these orders! Santa my hand hurts from hammering for 14 hours today, can I stop? Use your other hand!). When RevolutionTV asked Santa whether the allegations of abuse were true, he stated they were all lies and his workers were very happy he'd given them jobs – unfortunately one of them happened to ask him for a break right there and Santa boffed her one!

The hour-long spectacle did the trick - hundreds of shoppers stopped, completely agreed with us that Nike were profiteering scum, and signed up to support the campaign. Dozens of people came and joined the protest. At the end the elves overthrew Santa to cheers and we crossed over to make a bit of noise at a nearby GAP outlet.

One of the big hesitations we got was from youth who said that they wore and bought Nike - but we said we don't have a problem with that, we wear them too. No Sweat isn't a consumer boycott, that would just do Nike's factory workers out of a job, and they don't want that: they want us to help them in their fight for a living wage, decent and safe conditions, and equal rights for women. Helping them unionise is the way to go.

The same goes for import controls. Protectionism under the guise of "ethical bans", such as controls on childlabour produced goods, is just another way of sweeping the problem under the carpet - or rather shutting the door on it - rather than helping the workers themselves to deal with this important issue through struggle. Worse, unless it is a response to a request from workers themselves it simply plays into the hands of nationalist rubbish that wants imports kept out so that British goods can be sold.

The main argument we got against a sweatshop campaign was that we were actually hurting the child workers, whose parents obviously couldn't afford to keep them, much less educate them. Our response is that any children found working in a Nike factory should be paid to go to school - fees, a living grant, etc. up to college with a guaranteed a job at the end of it if they want to come back.

That's forcing Nike to keep their word, since they've adopted a code of conduct that says it's against child labour, that children should play and learn, not work. They adopted it so that they could shake off the wave of criticism that hit them around 1998 and even turn it to their advantage, posing as the "ethical" capitalists! Fat chance.

No Sweat has adopted a code of conduct on the model of the USAS campaigns, where they have been used to good effect as campaigning tools. They have been an important focus because the demands are so clear and just, so when the companies dig in their heels, it exposes clearly to the ordinary student or worker what these capitalists really care about behind all the advertising glitz and PR: their profits not their workers.

Of course sweatshops are a symptom of global capitalism and its division into the imperialist countries of the West, with their banks and corporations, and the third world with its debt and sweatshops, disease and starvation. The sickening fact is that it is actually better to be exploited in a sweatshop in these countries than to have no job at all. Only a world revolution can get rid of sweatshops, by getting rid of capitalism.

But No Sweat is a step to getting there in Britain. Anger is growing among youth against global capitalism, with its corporate takeover of culture, sport, life itself, its exploitation of the third world, its demands for profit before people and planet. Nike and the other brandname "sweatshoppers" are the perfect target to tap this mood and help it grow faster. On the one hand you have these logos of excellence and individuality aimed at youth; on the other, the brutal dead-end anonymity of their textile factories, without even a living wage, much less a lifestyle.

From Dudley to Vauxhall in Luton, workers in Britain have also had enough of the profiteers. Trade unionists are looking at ways to organise internationally and make links to beat multinationals like General Motors.

We want to bring the two forces together and make the slogan of Prague a reality: Turn the workers to the anticapitalism of the youth, turn the anticapitalist youth to the mass power of the workers.

Let's Do It!

Nosweat@destroyimf.org http://www.destroyimf.org/ nosweat/nosweat.html

There's more action in the pipeline. So come along to a local organising meeting to find out what's going on in your locality. Or get some posters, leaflets, stickers, and the code of conduct petitions for your school, university or trade union branch (special trade union resolutions available) and invite a speaker. Do the business on big business with No Sweat.

LOCAL ACTIONS AND MEETINGS • MATERIALS • SPEAKERS • PHONE 020 7793 1468

SIGN UP TO THE CODE OF CONDUCT AND SUPPORT THE CAMPAIGN

We support the No Sweat campaign and condemn sweatshop exploitation. We demand that Nike, Gap and all other companies producing goods here and abroad implement a code of practice to put an end to these labour practices. We demand:

- A living wage for all workers.
- No forced overtime: for the 8-hour day.
- At least 1 day off in 7.
- Equal pay and maternity rights for women.
- The right to an independent trade union.
- No child labour: pay for their education.

We also demand that these companies publicly disclose where their sweatshops are and accept inspections by independent labour and human rights organisations.

Send donations to No Sweat, BCM 7750, London WC1N 3XX: write cheques to No Sweat Campaigning Fund

POST OFFICE

Further action needed to win five-day week

FIVE HUNDRED post office workers in Coventry went on a 24-hour strike just before Christmas in their longrunning battle over working hours. This was one of a series of postal disputes that gripped the country in December.

The workers at Coventry's Bishop Street sorting office are some of a very few in the country not to have benefited from a national agreement to introduce new terms. Their dispute has been going on now for more than seven months.

Elsewhere, the working week has

been reduced from six days to five, and from 41.5 hours to 40. But a Royal Mail spokesman said the agreement provided for a five-day week where it could be achieved within the budgets, and this did not mean that all workers should expect it.

In a strike ballot, staff voted two-toone in favour of industrial action after it became clear that only between 20 and 30 per cent of workers in Coventry had been transferred to the new arrangements.

Clearly, the issue of privatisation is still alive within the Post Office, and

this - with the attendant worsening of the postal service and working conditions - has been behind a number of instances of industrial action undertaken by staff at offices around the country at the end of last year. There have been strikes at Cardiff, Liverpool and London amongst many others.

The strike at Coventry was solid with only a token picket needed. Although workers in other departments were not involved, many expressed their support for the delivery workers' action, some arriving in the early hours with refreshments for those braving a freezing cold

morning.

Postal union representative Mick Kavanagh said: "Our members quite clearly have shown Royal Mail they are not going to put up with waiting any longer. There is further action planned and the only way this will be averted now is if Royal Mail get back round the table and start talking."

During the day, Royal Mail management went out to empty post-boxes and made some deliveries to large businesses. This they were allowed to do by the officials outside the office who were keen to cause the minimum of dis-

ruption. This attitude, however, angered militants who feel their union officials are weak and ineffective in pursuit of their demands.

It is important that further action is built for as soon as possible, going beyond the single-day stoppage, and bringing other sections into the dispute. Also, rank and file workers at the sorting office must challenge their union leaders who will not countenance the type of action required to win this dispute once and for all. Finally, links must be made with all the other offices around Britain who are taking industrial action.

A Scottish parliamentary road

John Mckee reviews Imagine: A Socialist Vision for the 21st Century, by Tommy Sheridan and Alan McCombes, Rebel Inc. £7.99

McCombes, two leading figures in the Scottish Socialist Party (SSP), have written a programme for socialism in Scotland. It is geared towards the coming general election where the SSP is standing in every seat.

There is plenty that is useful in *Imagine* (the title is taken from the famous John Lennon song): lots of statistics about Scotland, the concentration of land in the hands of the rich, the massive profits of the multinationals, as well as some good anti-capitalist and socialist propaganda about how the workers of Scotland are exploited, how society can be run democratically and the role of the internet in socialist planning.

But this does not compensate for the fact that this socialist programme for Scotland attempts to delude workers that a revolutionary change can be achieved in a peaceful, parliamentary fashion and, worse, that there is a Scottish road to socialism, where the workers of England and Wales play bit parts, if they appear at all.

Imagine is forthright in its central demand for independence for Scotland. The whole programme is framed within the context of the specifically Scottish struggle for socialism. Sheridan and McCombes only see the positive sides of a struggle to break up the UK: "The secession of Scotland from the Union would be a shattering defeat for British capitalism, as potent in its historic symbolism as the break-up of the Soviet Union." (p124)

So important do they see the independence question that they are prepared to support independence on a capitalist basis: "Socialists should be prepared to support such a step (independence for Scotland), even on a non-socialist basis as promoted by the SNP." (p183)

The British ruling class would certainly fight tooth and nail to prevent the break-up of the UK. It would have at its disposal the army and its Scottish regiments, the police and security services, the Scottish capitalists, the possibility of sponsoring a resurgence of Scottish unionist bigotry, dividing the Scottish workers on religious grounds. Sheridan and McCombes only "imagine" a progressive and peaceful break-up of the British state, like Norway's departure from Sweden. The opposite could be the case.

Neither would it necessarily be progressive for English and Welsh workers. Right-wing nationalism was strength-



Tommy Sheridan

ened in the Soviet Union by its breakup – the Chechnya war is only the most recent example.

A progressive outcome could only be achieved by the utmost unity in struggle against the UK ruling class, amongst English, Welsh and Scottish workers. This makes it even stranger that *Imagine* has virtually nothing to say about workers "over the border" in England and Wales. They are invisible in a book that is about socialism in one country—Scotland.

And what sort of socialism is being put forward for Scotland? It is certainly a radical variety, enough to ensure the deadly hostility of the ruling class: "In a future socialist Scotland, the land will be legally recognised as the common property of the Scottish people." (p92)

And: "Large scale industry oil, gas, electricity, the national railway network could be owned by the people of Scotland as a whole and run by democratically elected boards in which workers, consumers and the wider socialist government were all represented." (p190).

A raft of radical pro-working class reforms are then listed. This new society will be run democratically, with an emphasis on control from below and democratic socialist planning. The Scottish parliament should be elected by proportional representation with votes at 16, and parliamentary representatives will be paid the salary of a skilled worker, "there is also an overwhelming case for annually elected parliaments and councils." (p165)

Through the internet "there could be decision-making on all the big issues through democratic referenda". Decisions would be taken locally, wherever possible, "community councils" would be formed, "elected workers' councils would be established in every sizeable workplace to ratify key decisions on wages, working conditions, production targets." (p170)

The socialist government would protect itself by dismantling the "old hierarchical power structures" (p.149). The police force would become "a more locally based community based police force under the control of local councils" and "a socialist Scotland would reconstruct new defence forces which would be democratic, egalitarian, and accountable ... their primary role to defend democracy against internal and external sabotage." (p150)

This imagined society is, unfortunately, a left reformist utopia – a dangerous vision which could lead Scottish workers to a bloody defeat, as it did with the Chilean workers in the 1970s.

Nowhere do Sheridan and McCombes seriously address the question of state power and how the ruling class will use every force at its disposal to destroy a party or parliament committed to taking their property and removing them from power. Where they do broach the question they offer only illusory reassurances.

Recognising that the UK or international ruling class would attempt to suppress a Scottish socialist republic, they start by declaring "the threat of military invasion is highly unlikely" (p147). It's one thing, they say, to bomb dictators, quite another "to attempt to militarily crush a democratically elected socialist government in Scotland". Throughout the book they keep reminding us how important the Scottish nuclear bases are to Nato. Do they really think British imperialism is incapable of defending itself and the international capitalist class?

Another option, an internal coup on the Chilean model, is also discussed. Again they suggest this is unlikely because the right-wing in Chile was much larger than in Scotland. In Chile they say the right-wing parties could muster 45 per cent of the vote, in Scotland the Tories have been reduced to a rump of 15 per cent. This, of course, leaves out the SNP, a party representing a section of Scottish capitalism. Or is the SNP a presumed supporter of a socialist republic?

This underestimation of the role of right-wing forces in such a situation is even stranger given the strategy put forward in *Imagine*, one which envisages a parliamentary left government coming to power with army and police intact, and then implementing its socialist programme in stages.

For example, *Imagine* calls for land to belong to the people, but would not "collectivise small or medium-sized farms". The "hundreds of thousands of small businesses" employing less than ten workers "would thrive" in a socialist Scotland. Even multinationals might remain untouched – "some larger companies too, may even remain in private hands on grounds of expediency" – call centres, electronic multi-nationals, branch assembly plants, are given as examples of this.

This is because Sheridan and McCombes at least recognise that fully-fledged socialism is not possible in a small country like Scotland.

But they ignore what would happen to an isolated socialist Scotland – an eco-

nomic and financial blockade would be immediate following the expropriation of major capitalist banks and other corporations. The capitalist part of the "mixed economy" would then be mobilised as the basis of a right-wing movement, as in Chile – the small and medium farmers and businesses threatened with ruin, the multinationals fed up with "socialist regulation".

Would the SNP and the ruling class really sit on its hands while a socialist parliament "dismantled the old hierarchical power structures" – the army, the police, their control of the media, the banks? And *Imagine*'s belief that because the socialists would be the majority, they would win out, counts for nothing against an organised military coup. That's how the supporters of Allende Popular Unity government ended up in the Santiago stadium.

What is missing here? It is all the lessons that the revolutionary communist movement learned in every revolutionary crisis this century. The bourgeois state cannot be reformed piecemeal.

Socialism can only start being built after a revolution that destroys the repressive forces of the capitalist state, the army, the police, the security services and replaces it with an entirely new state, a workers' state.

The key weapons in this struggle, the workers' council (soviet), the workers' militia based in the workplaces, communist cells conducting revolutionary work amongst the rank and file of the army, an underground apparatus and above all a revolutionary party of tens or hundreds of thousands based in the vanguard of the working class, are all missing from *Imagine*. These are the tools, built before and during a revolution, which we need to destroy the "old hierarchical power structures", to disarm the capitalists.

In fact the word "revolution" in the context of Scottish socialism never appears once in *Imagine*'s 232 pages! This is deliberate. *Imagine* distances itself from revolutionary socialism to appeal to a left-reformist tradition and idealises Scottish independence to appeal to leftward-leaning nationalists.

The Scottish Socialist Party should take Tommy Sheridan and Alan McCombes at their word on democracy from below. They should demand that *Imagine* is discussed and debated democratically by the party before it is foisted upon them as a reformist programme for the election.

LETTERS

Against bans, for free speech and debate

Dear comrades,

On 16 December a "mini-conference" took place in London to discuss ideas for action on May Day 2001. Both the May Day 2001 website and leaflets advertising the mini-conference welcomed all anti-capitalists. The only hint that some anti-capitalists would not be welcome was the request that parties and organisations not send delegates.

In the spirit of unity, therefore, myself and a friend Keith Spencer, decided to go along as individuals, though both of us are members of Workers Power. We proposed that autonomous groups should organise stunts and actions in the morning, and link up in the after-

noon for a united march on the City of London culminating in a street party.

We wanted to go one step further and link our demonstration with the series of anti-globalisation general strikes and actions that will be taking place globally. We proposed building from below for as many strikes as possible on the day.

The conference actually agreed to a plan not a million miles from these proposals. Yet me and a comrade from the Socialist Workers Party were barred from entering the hall by a some thugs from the Anarchist Federation. The SWP member was physically manhandled by these goons. The reason? Because they

didn't like our ideas. When pushed further, they claimed we were in favour of "the state" and therefore not welcome.

This is utter rubbish. Revolutionary Marxists aren't in favour of "the state": we want to smash it. It is a capitalist state. The real argument with the anarchists is that we recognise that after a revolution the working class will need a new, temporary, totally different revolutionary workers' state.

We are in favour of a dictatorship of the proletariat, an armed working class organised by democratic workers' councils, in order to defeat the capitalist enemy both during the revolution and during any civil war. But we don't want this forever. It is a means to an end the end being the dissolution of all states.

The anarchist Friends of Durutti in the Spanish Civil War shared this view. Michael Bakunin was in favour of an "invisible" dictatorship, similar in role to Marx and Lenin's but without any of the democracy that they advocated. And Nestor Machno, the Ukrainian anarchist, forced peasants to join his army in the Russian civil war and shot those who disobeyed orders or refused to join up.

Yet only socialists were stopped from attending the Mayday conference. Why this discrimination? Why this criminal refusal to unite against the enemy?

Because some anarchists are afraid

of healthy debate. They want to exclude us because radical youth will be attracted to the ideas of socialism instead of anarchism: better to keep us out and distort our ideas.

Ironically Keith did get in. When he introduced himself as "Keith from Workers Power" during the first session ... no one even blinked. In other words, in front of the other anti-capitalists the Anarchist Federation were too ashamed to fight for their policy of exclusion.

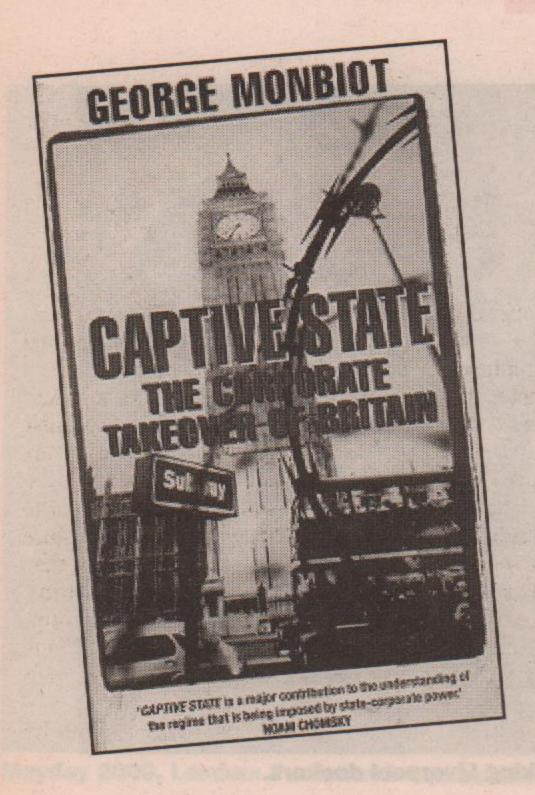
I appeal to all anti-capitalists and anarchists to fight against sectarianism in the movement.

Yours Jeremy Dewar

THE FIGHT AGAINST GLOBALISATION

On the next four pages we look at: a review of one of the main critics of multinationals, on pages 6 and 7 a history of the growth of the anti-capitalist movement in Britain and on page 8 an eye-witness report from the demonstration against the Euro summit at Nice, December 2000





New Labour carries on Thatcher's work

Jeremy Dewar reviews Captive State:

The Corporate Takeover of Britain,
by George Monbiot, MacMillan, 2000, 430pp, £12.99

TEW LABOUR: New Britain. This is what Tony Blair promised the electorate in the run-up to the last general election. What he delivered was a string of broken promises: further privatisation, the erosion of democratic rights, multiplication of government-appointed quangos, privileges for businesses and corruption in high places.

As election time comes round again, George Monbiot has done us all a great service in documenting to just what extent Blair's government has deepened the Thatcher revolution. Monbiot has also, in *Captive State*, gone some way to demonstrating how and why Labour's various policies stitch together to form a pattern that has one central purpose: to maximise the profitability of big business.

The Private Finance Initiative (PFI) was developed by the Tories as a means of financing large road, hospital and school building schemes without burdening the Treasury with a massive debt. At the same time it hands over hugely profitable areas of the public sector to private companies.

As Sir Alastair Morton of the Private Finance Panel puts it, PFI is "the Heineken of privatisation – taking the private sector to the parts of the government machine not reached by previous privatisations" (p86).

How PFI works is complex and deliberately misleading. The story of the Skye Bridge, one of the first PFI deals, shows just how dangerous it is, however.

Islanders on Skye used to have to rely on a 24-hour ferry service for getting to and from the mainland. The service got worse and worse until the proposal for a privately financed toll bridge, which would cost no more than the ferry and cost nothing once its outlay had been repaid, seemed very attractive. Once agreed, however, the terms began to change.

First, the bridge cost £25m to build. But the private consortium received at least £16m in subsidies from the government. According to the Public Accounts Committee, the private companies spent a mere £500,000 of their own money.

Next, the toll was raised to £5.60 each way, making it the most expensive toll road per metre in the world and far more expensive than the government ferry, which stopped running a week after the bridge was opened, giving the toll bridge a monopoly.

Finally, the consortium was guaranteed the toll would last 18 years, bringing in an estimated £37m. This would come mainly from islanders (among the

poorest communities in Britain) and would severely damage their main trade, tourism.

The people of Coventry lost their easily accessible city centre hospital and got a new one on the edge of town courtesy of PFI. This reduced the number of beds by 25 per cent and the number of staff by 20 per cent. Of course, the city centre site can now be redeveloped at a huge profit. The new hospital will cost far more than the residents' preferred option of renovating their two hospitals: renovation would cost £30m; the PFI scheme will cost £36m a year for the next few decades plus £25m for new equipment.

But why were the wishes of the Coventry people ignored? Asked in a consultation exercise what health services they wanted, they replied: renovate the two existing hospitals. They wanted far cheaper and less wasteful options than they got. But these responses were not, in government-speak, "PFIable".

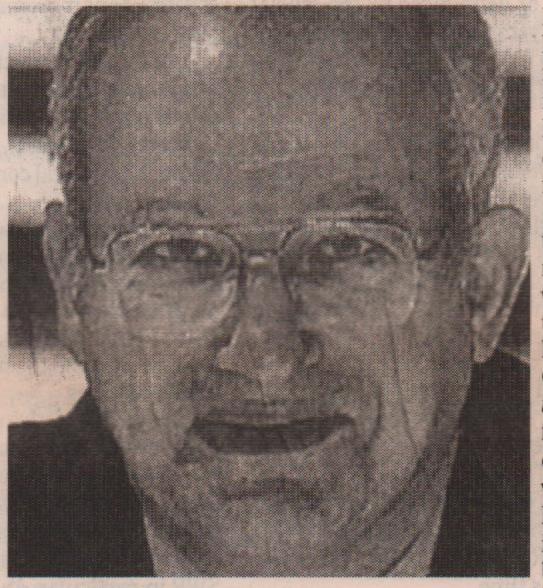
Once the Labour government had decided it was going to use private capital for public projects, the need for a profitable return for the privateers has to override the needs of the public – even if this means giving the public what they don't want!

Linked to this is outright corruption and bribery. Local councils have been progressively starved of funds from the mid-1980s onwards. Their one remaining asset in many cases is their land; their one remaining power, their ability to grant or deny planning permission.

So when a supermarket chain applies for a new superstore and offers to build a leisure centre on the other side of town for free, it will get its way nine times out of ten. When a housing company wants to build on a greenfield site and offers to pay £100,000 towards legal and consultation costs, the council will usually promote the new town against the objectors. As one such objector remarked, "It's legal, but it's bribery" (p138).

As with PFI, many of the details of consultation exercises and planning applications are shrouded in secrecy; commercial confidentiality weighs heavier in the scales of New Britain than public accountability.

This is illustrated well by the story of the victory of Monsanto and the use of genetically modified organisms in food. Despite the fact that millions of consumers are concerned about the levels of toxins that may be in foods containing GMOs as well as the effect GM food production may have on the environment, it is illegal for any retailer to label foods as such.



Lord Sainsbury

But the real scandal of GMOs is the way governments, both here and in the USA, have colluded with multinationals like Monsanto, AgrEvo and Zeneca to force their products on the population. These companies have gained an absolute majority on boards such as the Food and Drug Administration in the US and the Biotechnology and Biological Sciences Research Council in the UK.

As a result, the very bodies which are supposed to regulate corporations, defend the public interest and direct public resources to areas that will benefit society as a whole have been taken over by those same corporations.

onbiot dedicates the whole of chapter eight to a Fat Cat's Directory – a table listing of fat cat's previous gluttony and subsequent creamery. We learn that Sue Clifton, for example, is an executive at Group 4, which runs two private juvenile detention centres, and is an adviser to the government's Youth Justice Board where she can use her influence to ensure more youth receive custodial sentences

In New Britain capitalists are being brought into government itself, not just the quangos. Lord Sainsbury is dealt with in some detail. He is not only the former chairman of J Sainsbury plc, which has championed GM foods, but is also the head of Diatech, one of Britain's leading biotechnology companies. In other words he has a double interest in the easing of GM products onto the market.

While Lord Sainsbury lets his family take care of the supermarket chain, he claims to have put his holdings in Diatech into a blind trust. So he claims that while being minister for science and innovation: "It's possible that I may have some commercial interests in biotech firms, I simply don't know" (p271). Yet Monbiot shows this it is impossible for him not to know since Diatech was helping pay for renovation to Sainsbury's country house at the time!

One of the strengths of Captive State is that, while focusing on Britain, it also demonstrates Britain's role within globalisation. New Britain has played a key role in shifting the European Union towards the United States' position on free trade at the expense of health and

safety regulation, environmental concerns and trade union rights.

Britain was the EU member that supported the Multilateral Agreement on Investment most vigorously – a treaty which would have allowed corporations to override government legislation and force the privatisation of the NHS and the education system.

The most disappointing aspect of Captive State is the last 10 pages, where Monbiot outlines a strategy for fighting back against this creeping corporate coup d'état. It is a classic middle class utopia: abandon those policies like PFI which deliver ever more of society's wealth to big business, cut all the links between the mega-corporations and government and limit the size of the biggest monopolies by breaking them up and cutting their executives' pay packets.

He is right to call for an end to PFI, for kicking big business representatives out of government and ending their access to civil servants and cabinet ministers. But this does not get to the heart of the problem, which is the concentration of the ownership of finance and industry into private hands.

Monbiot counterposes big monopolies (bad) to small companies (good), which is unrealistic and plain wrong. Small businesses are among the worst anti-trade union firms and oversee some of the worst working practices even if they may have less direct leverage on government than the multinationals.

And as for the old chestnut of breaking up monopolies, those like Monbiot who do not wish to abolish capitalism but do wish to drastically reduce the scale of its operation face a dilemma.

Sainsbury was once a small family grocer. Through the laws of the market,

it is now a giant corporation. To break it up into small pieces would only lead to a rerun of history and the emergence of a new mega-supermarket chain.

If there is constant government intervention to limit the scale of operation then other results emerge: inefficiencies are locked in, trade with foreign countries has to be restricted or prevented in order for smaller companies not to lose out, investment would go elsewhere and so on. It is not the scale of operation but the form of ownership that is decisive. Either you have an economy run for profit or for need.

Similarly, the idea that the state can be reformed into some kind of disinterested judge presiding impartially over citizens is to ignore the whole history of the state machine. The British state – parliament, the civil service, the courts and the military – have always sided with the ruling class. That's why you can't get legal aid to defend yourself against a corporate libel suit, why you get fined and imprisoned for refusing to pay a toll, why you get beaten up for going on a demonstration.

It is also why civil servants do not tell present day elected government ministers about the reasons for why and how the decisions of previous administrations are reached. Politicians are the (willing) captives of those who hold real state power and this state machine has to be broken up by workers and replaced with a new kind of administration in which all who carry out legislative, judicial and executive tasks are elected representatives, being daily accountable and recallable.

Monbiot recognises that his alternative to this "looks wildly optimistic and unrealistic" (p356). He understands that one of the ways in which corporations beat down opposition is by fighting a war of attrition: when a local campaign beats off a planning proposal, the company comes back year after year with an identical plan until the opposition is worn out.

The alternative to this is to focus on how to mobilise class action as widely as possible for a co-ordinated attack on the enemy. This will involve rescuing the trade unions from the current leaders who are in the pockets of the bosses and the state.

It will mean taking what is best about direct action: its direct democracy, its ingenuity, its courageousness. And it will mean preparing to resist the violent defence of wealth and privilege that we must expect – especially after Seattle, Melbourne, Prague and Nice – from the corporate defending state.

THE FIGHT AGAINST GLOBALISATION

Putting anti-capitalis

Jeremy Dewar analyses the different elements that make up Britain's anti-globalisation movement

everal thousand anti-capitalist activists from Britain were among the 15,000 in Prague during the anti-IMF protests last September. In Nice perhaps as many as a quarter of those who battled with the CRS riot police on 7 December outside the EU summit were from the UK.

Inspired by Seattle many of these militants could justly point to the importance of the mass demonstration in the City of London on 18 June (J18) in 1999 in firmly putting the phrase "anti-capitalist" back into the day to day political vocabulary of the European and North American mass media.

The movement in Britain is part of a world-wide anti-globalisation movement which grows stronger every day. It is based on a renewed resistance to the dictates of the international financial institutions by the workers and peasants of the third world, a revival of struggle in the North American unions and the radicalisation of a new generation of youth in the imperialist countries. The movement has, in particular, become a magnet for the most advanced sections of the labour movement, the far left (both revolutionary and centrist) as well as various brands of anarchism.

The anti-capitalist movement in Britain holds an important place in the world movement. It is generally seen as the most experienced when it comes to imaginative direct action events, which is why so many of its activists were invited to the USA in the run-up to Seattle, N30. And it was in Britain that the movement first became explicitly anti-capitalist.

The 1980s were marked by a series of major defensive working class struggles in the UK, largely led by the trade unions, against the Thatcher government. The most important of these, the miners' strike of 1984/85, went down to defeat, paving the way for a whole series of victories by the bosses against other sections of workers (printers, dockers, seafarers).

The defeats had serious political consequences. Thousands of militants were sacked or ground down. The right wing of the labour movement grew in confidence and power. This led to the rise of New Realism in the unions - an explicit form of class collaboration based on the idea that the "old ways" - strike action, flying pickets, solidarity action, occupations and so on - were

gone for good. Modern trade unionism had to concentrate on a servicing role for members (legal, insurance and such like) at the same time as keeping the bosses sweet through single union and no strike deals, shouldering responsibility for management decisions and keeping the workforce in line.

At the same time an increasingly open bosses' tendency in the Labour Party grew. This tendency, in the shape of Tony Blair, eventually won the leadership of the party even though it has so far held back from its final goal of transforming the party from a "bourgeois-workers' party" (led by and acting in the interests of the bosses but based on the organisations and the mass support of the working class) into a fully fledged bourgeois party.

The last of the big struggles of the 1980s, the great anti-poll tax revolt in 1989-90, was different to many of the others. It was, in some ways, the first of a new kind of struggle.

It was ignored or denounced by the official labour movement, yet succeeded in drawing millions of workers to its cause, defiantly taking on the state and securing a significant victory

The political consequences of the class struggle in the 1980s were to have a powerful resonance over the following decade. They shaped the struggles to come and they helped revive the fortunes of British anarchism.

The anti-fascist actions culminating in Welling 1993 were a continuation of a DIY direct action trend that had emerged in the poll tax struggle. But it was the rave scene, resistance to the Criminal Justice Act and the Battle of Hyde Park 1994 which led to an influx of new, mainly young activists who had few or no links with the workers' movement. The youth were skilled and confident at taking on the state forces in defence of democratic rights and, subsequently, environmental issues. Reclaim the Streets (RTS) was formed around this time.

The main characteristics of this movement centred around a lifestyle which rejected the consumerism and the "loadsamoney" values of the 1980s boom. It actively celebrated diversity and rejected all structures as hierarchical and inherently bad. It was influenced by post-modernism, deeply suspicious of all ideologies, including socialism – remember that this was the period



Reclaim the Streets march in support of striking Liverpool dockers.

of deep labour movement quiescence and the collapse of Stalinism.

Lifestylist in character, "think global, act local" was its mantra, focusing on local targets of bad capitalism (e.g. targeting the offices of road construction companies), and local issues, fostering alliances with local communities including middle-class "nimbys".

It was very dominated by pure environmentalist thinking, fostering an attitude that humans are inherently bad. The movement paid little or no attention to social issues, except in the Third World, campaigning in support of indigenous peoples and the poor suffering at the hands of corporations.

Due to its underlying ideology of "local is best" the movement was not centred on London but in a diverse range of localities, around university campuses, sound systems (e.g. Luton) and squats (e.g. Manchester).

It was actively hostile to the far left, and the SWP in particular. Above all, it was action-oriented, scoffing at resolution-mongering and disdainful of meeting-based organisations. In short, the movement at this stage was petit-bourgeois in class character and shot through with utopian schemas.

In the last years of Tory government (1995-97), two developments had an impact on one of the most important components of this movement, RTS. The first was the Liverpool dockers' strike/lock-out. Their heroic battle against the bosses, the government and, crucially, the trade union bureaucracy, grew in appeal to the activists in RTS. The dockers' imaginative use of flying pickets, occupations and new technology to spread their fight around the globe, with no regard for legal or national niceties, were as far removed from post-miners' strike new realism as could be imagined. It fitted in with the radical outlook of many of the activists within the militant environmentalist movement.

Through collaboration, the dockers forced RTS to look at the working class and the labour movement, and global capitalism, its impact on local communities and the possibility of fighting back against it. This collaboration culminated in the second, and hugely successful, march for social justice in April 1997.

The second development was the emergence of street parties, which began to attract local working class youth, who didn't share the activists' lifestyle prejudices but did enjoy the spontaneity of the events and the opportunity to get one over on the cops. Suddenly, RTS was confronted with the problems of growth.

The new Labour government's relatively long honeymoon, between 1997 and 1999, meant that the importance of these developments was obscured for a couple of years. Street parties continued and links were forged with other sections of workers who had maintained a level of rank and file organisation, notably the tube workers in London.

But, by and large, the movement suffered during these years, disoriented by the election of a *

Labour government. However, an important debate was taking place. Various anarchist organisations – the Anarchist Federation, Solidarity Federation and to a far lesser extent Class War Federation – and other individuals effectively entered RTS. With the exception of Workers Power, the Marxist left ignored and were ignorant of these developments, leaving the field open to anarchism.

As a result of this a self-conscious anti-capitalist movement began to emerge. The J18 action against the City of London in 1999 brought it to national and even international prominence. Before the dockers' strike the RTS movement could be characterised as "situationist" – rejecting all ideology, believing in the powers of humour and spontaneity, seeing the local stage as more important than the global arena and seeking primarily an individual rather than social solution to the problems of life.

A fter the dockers' strike the anti-capitalist movement could be described as "Panic". It had a social agenda based on the ideas of libertarian anarchism. It saw global capitalism as its main enemy. But its methods of struggle still focused on the use of humour and spectacle, using the element of surprise to wrongfoot the state and create a "temporary autonomous zone" within which people could become empowered/inspired.

It drew its inspiration not from the nihilism of the Parisian situationists of May 1968, but from the libertarianism of the Amsterdam "Panic movement" of the early 1970s. This movement took its name from the Greek god, Pan, whose strength came from the breakdown of order and the triumph of chaos. It took much of its theory from the anarchist writer Hakim Bey.

An undoubted strength of the movement is its internationalism. With the realisation that capitalism was the enemy came the spontaneous identification with the struggles of the oppressed worldwide. Hence the solidarity expressed with workers and peasants battling imperialist multinationals and against environmental destruction across the globe.

This is revealed by the support on the RTS email updates for causes as diverse as the Palestinian intifada to opposition to multinational logging companies in Papua New Guinea. RTS played a crucial role in organising the first European encounter of the Peoples' Global Alliance in Spain.

J18 in the City of London was a huge success for the movement and foreshadowed the end of Blair's honeymoon. But it also exacerbated some of the tensions within the movement.

Within the debates that followed Workers Power and the socialist youth movement, Revolution, were able to play an important role. As the only Marxists involved directly with the movement we had collaborated with RTS in a campaign against BP's financing of death squads against Colombian trade unionists and against its ravaging of the environment. On J18 itself we were the only open socialists present and were

REFORM OR REVOLUTION

In Britain the anti-capitalist wing of the anti-globalisation movement developed earlier than anywhere else—the first explicitly "anti-capitalist" demonstration was J18, and RTS activists played a crucial role in organising for Seattle.

This meant that it was more prominent in a number of key events than the reformist wing of the movement, which to this day remains relatively weak in Britain.

The two wings have remained separate for the most part. At the Birmingham G7 meeting in 1997 Jubilee 2000 (J2000) organised a huge debt chain around the conference, while RTS had a street party nearby, although this did represent a convergence of targeting the global institutions of capital. J2000 built for a debt chain on 10 June, the anti-capitalist movement built J18. J2000 activists did a small anti-debt action on J18, but had no significant presence at the N30 demo, nor Mayday 2000 – scared off by the violence of J18.

At Prague the two wings were present, but pursued very different agendas: separate demos on \$24, and little participation by J2000 on \$26 itself. They went to the Castle for tea

and talks with President Havel instead.

The trade union bureaucracy in Britain supports the J2000 wing on paper while doing little practically to mobilise for anything. While the US unions had powerful delegations in Seattle and the French CGT had tens of thousands on the streets of Nice on 6 December to demand social and trade union rights from the EU, the British TUC flew a mere 80 of its top dogs to Nice for the day.

Militant sections of organised workers have yet to come onto anticapitalist demos in significant numbers. The important point is that a growing number of activists involved believe that capitalism – and in particular global capitalism – is the problem and it needs to be fought wherever it raises its head.

The fact that the movement has emerged during a period of defeats for the working class – in part internationally and certainly in Britain – means that the movement does not as yet orient towards the working class or look to it for a lead in the current fight against exploitation and debt. But this can and must change if the movement is to make lasting gains and develop in a revolutionary direction.

THE FIGHT AGAINST GLOBALISATION MINISTER THE PROPERTY OF THE P



Mayday 2000, London: Parliament Square filled with anti-capitalist activists

heavily involved in the defence of the action, something one of our comrades was given a 21 month jail sentence for his role in.

Within the movement the tensions between the Panic elements and the Black Block elements came to the surface. This is not simply a re-run of the "fluffy" versus "spikey" debate since it involves an argument about the role of violence in political action, rather than its (im)permissibility (although some have denounced the violence of the Black Block). N30 and May Day 2000 saw this tension grow, and in Prague the two wings decamped onto separate sections of the march (Pink-Silver and Blue-Black respectively).

Also, our role in putting forward socialist arguments within these debates and the arrival of the SWP, the largest organisation on the left, onto the scene forced the movement to sharpen its ideological profile. The run-up to May Day 2000 saw the wide circulation of Vampire Alert, which spread half-truths and lies about the Marxist left, and the exclusion of the SWP and Workers Power from the anti-capitalist conference organising committee.

Unlike "Evading Standards" and "Maybe" (the spoof newspapers produced for J18 and May Day 2000), "Financial Crimes" (produced for S26) gave a half-page over to a polemic against "authoritarian socialism". The vast majority of the movement even boycotted the S26 Collectives.

The movement is now predominantly anarchist. In one sense it is a victim of its own success. The achievements of J18, and more recently Prague, have served to highlight the many differences within this varied movement.

On the one hand, there are those – in particular former roads protesters – who cling to the "small is beautiful" ideology. They are vehemently antiviolence and want a return to small, locally based actions.

On the other hand, you have those who recognise the power of mass action as witnessed in Prague and Seattle. Prague proved to be a great learning experience. Many realised the limitations of non-hierarchical modes of operation in street situations – witness the adoption of representative democracy in meetings.

Some believe that this did not go far enough, and are even advocating elected, accountable leaderships for certain situations. Prague also raised the issue of violence. Many committed Non-Violent Direct Action (NVDA) activists returned from Prague recognising the importance of self-defence, and self-defence squads are beginning to emerge, for example the affinity group protecting the samba band in Prague, which physically removed Black Block supporters and others from its ranks. The movement is being forced to develop its structures and ideologies through the experience of struggle.

The popularity and success of J18 and the resulting state repression, also led to many core activists going further underground. Earth First! – not RTS – is where the main discussions over tactics, strategy and ideology now take place. However, these groups do not have separate memberships and there is tremendous fluidity between the two. The fact that Earth First! is nationwide whilst RTS is predominantly London based also means that Earth First! is better placed to conduct these debates.



Prague, 26 September 2000: international protest against the IMF

RTS itself appears to be on the verge of breakdown since the SWP has started to attend its meetings (the setting up of London Underground as a meeting place for all the strands in the wider movement to strike united fronts is an attempt to resolve this). This is not just fear of police infiltration (which is not misplaced – look at the May Day debacle); it is also fear of a mass movement. Guerrilla Gardening (advertised as "NOT a protest") was deliberately unattractive in order to dissuade thousands of working class and radical youth from turning up!

Embedded in the movement's self-perception is the idea of the enlightened elite who have reached a state of being through their lifestyle away from consumerism. People joining in and taking over is not part of the schema.

Clearly the movement has some parallels with its counterpart in the US (focus on corporations, direct action, affinity groups etc). However, there are some important differences. First, unlike the AFL-CIO (the US trade union federation), the British TUC has shown very little interest in the anti-globalisation movement, save a few speeches at conferences. It has not been at the forefront in initiating or involving itself in any of the actions.

As a consequence, the anti-capitalist movement is deeply hostile to the trade unions, which the anarchists view as a bosses' tool to trick and tie the working class to the capitalist system. This explains their general rejection of a serious orientation to the workers' movement. It makes the concrete task of "turning the anti-capitalists to the workers and the workers to anti-capitalism" that much more difficult in Britain.

In the USA, the campuses have been central

to the development of a new generation of radical students (e.g. United Students Against Sweatshops) who are using bold, imaginative and militant tactics and have built practical links with the workers (the International Federation of textile etc.). Whilst in Britain, students make up a significant layer of the activists, the campuses have not yet developed into organising centres of resistance in the way that they have in the United States.

The anti-capitalist movement is both the product of and a catalyst for a change in the class struggle situation in Britain. The movement must be spread into the campuses, schools and workplaces with campaigns like No Sweat! The vibrancy and militancy of the students and radical youth must be used to put pressure on the trade unions to take up and fight for the demands of the anti-capitalist movement.

Anarchism and libertarianism are significant forces in Britain for the first time since the First World War. While common action is essential wherever possible (as often as not an offer refused by the anarchists), clear ideological differences exist which have practical consequences for the fate of this movement. The anti-capitalist movement not only has the potential to grow further; the objective situation (increasing globalisation, unipolar world order, etc.) means it will. Through its growth the poverty of anarchism and the superiority of Marxism will be revealed.

But this will not happen automatically. It needs the conscious participation of Marxists in the movement in order to turn it towards the working class and socialism while fighting to bring the spirit of anti-capitalism into the workers' movement.

THE INFLUENCE OF THE ZAPATISTAS

The raw material that has gone to make up the antiglobalisation movement comes from many sources in Britain: the anti-poll tax movement of the early 1990s, the campaign to defend raves from the CJA, anti-roads protesters and those who rallied around the Liverpool dockers.

But one seminal influence that moulded the ideology of the anti-globalisation movement, infused it with internationalism and propelled it towards anti-capitalism was the appearance on the world stage on New Years Day 1994 of the Zapatista Army of National Liberation (EZLN) in Mexico.

In August 1994 the Convention organised by the EZLN in the Lacandón jungle brought together many activists from around the world in solidarity with the Zapatistas and in the course of the event a new internationalism, if not an international, emerged which embraced and yet transcended the cause of the EZLN itself.

The anti-globalisation movement shares many of the same political and ideological prejudices of the EZLN. The Zapatistas were dubbed the "first post-modern guerrilla movement" in that, uniquely for a liberation army, the EZLN renounced the struggle for political power, preferring instead to build a

movement both in the Chiapas and Mexico (and beyond) that effectively neutralises the power of the capitalist state to take the offensive and destroy it. Meanwhile it seeks incremental reforms and a measure of social justice. This perspective chimes in well with the "Panic" philosophy which also rejects a frontal assault on state power and aims instead to establish "temporary autonomous zones" within which oppressed people gain room to manoeuvre.

Common to both movements was the rejection of the traditional notion of political parties. The movement had to be more fluid and evolving than this and the organisation should be non-hierarchical and have no central leaders. Subcomandante Marcos may be the a key figure in the EZLN but he is seen as merely there most poetic and intriguing of spokespersons, not as a caudillo or even central leader.

Naturally, the mid-1990s was precisely the time when the internet emerged from the ghetto as a result of the appearance of easy to use browsers and new e-mail applications. This essentially horizontal method of communication, evading centralised control, appealed instantly to the anarchist libertarian strain of the movement,

enabling RTS and others to use the internet as a way of dispensing with a culture of meetings while building support for actions. Marcos also grasped the value of this means of communication as a way of breaking the news blackout imposed by the state-run media in Mexico and leaping over the military cordon that surrounded the Chiapas.

Many of those active in the anti-globalisation movement, those most prominent in the preparations for Seattle and Prague for example, were either present in the Lacandón jungle convention in 1994 or were deeply influenced by what emerged from it – a clear sense that they were all part of a global movement with interlinked struggle and common goals, even if largely autonomous in the formulation of targets and decision-making.

This development was positive. It infused thousands with a sense of internationalism. But struggle against global capitalism demands more than this. To do battle with the enemy all sorts of organisations and ideologies can suffice. To beat the enemy, on the other hand, requires a coherent strategy and a unified organisation to implement it a revolutionary programme and a revolutionary International.

THE FIGHT AGAINST GLOBALISATION

Nice, Prague, Seattle: one world, one battle!

Keith Harvey examines what the European bosses got up to behind the lines of riot police and the fog of tear gas in Nice last month, and the significance of the two very different demonstrations during that week.

HE NICE summit did not significantly advance the cause of those who want to see the EU move towards a pan-European federal state.

The biggest loser at the summit was the European Commission, the embryonic bureaucratic executive of such a state. The 30 odd new issues which will be subject to qualified majority voting (QMV) were largely secondary since Britain and France insisted on the maintenance of the national veto in key areas: tax, social affairs and important areas of trade.

Britain did get majority voting on trade in financial services but national vetoes in trade in education, cultural and health services remain. Effectively, the summit was dominated by national wrangling over the number of votes each country should have in the system of QMV both now and after many more countries join the European Union (EU) over the next four to 10 years.

The decisions reached on this enhance the voting power of France, Britain and Germany and hence their ability to block measures they do not like. After enlargement under QMV a measure will need to be approved by 70 per cent of the votes, which must also represent at least half the member states and 62 per cent of the EU population.

No wonder the head of the European Commission, Romano Prodi, bemoaned the outcome and criticised Blair and others for their unwillingness to go further down the road of political unity. Compared to the 1985 Single Mar-

ket and the 1991 Maastricht Treaty which set out the path to the single currency, the Nice summit marked time.

Yet it was agreed that some member states (i.e. France, Benelux and Germany at least) can push ahead and develop a common set of policies without waiting for others to agree. In this regard, Germany established a more assertive and ambitious role for itself within Europe and beyond.

The heads of government also adopted a Charter of Fundamental Rights. It includes the right to freedom of speech and thought, and equality before the law. It also recognises the right to strike, subject to national law, and fair working conditions. However, it amounts to little more than window dressing since most member states, especially Britain, refused to make the charter legally binding.

More significant than the summit was the nature and scale of those that were there to protest. On the day before the summit began (6 December) around 100,000 trade unionists from across Europe descended on Nice. By far the biggest contingents were from the French CGT. Big contingents were there from the Italian CGIL and Spanish unions; smaller groups from Germany, Holland and the UK (in their hundreds) were also present. Most encouraging was to see small delegations from East European countries (Slovenia, Hungary and Poland) making the day the best and largest pan-European trade union demonstration ever.

The purpose of the march, as far as



Workers from Michelin tyre plant march in Nice

the trade union officials were concerned, was to pressure the summit into improving the Charter of Fundamental Rights, especially over the question of a living minimum wage and to get it to have the force of law. Many on the march, however, thought it was more important to establish pan-European fighting organisations in the workplaces that could enforce workers' demands on the bosses over employment and wage levels, closures and redundancies.

The biggest defect of the day was that at the end of it 90 per cent of the marchers went home instead of staying for the next day's attempt to confront the summiteers directly as they assembled. The protest on D7 was important (see box) but D6 and D7 showed the same split in the global anti-capitalist movement that we have seen before: on D6 80,000 working class trade unionists from Europe came to Nice to press for reforms. The next day they were largely gone, the bureaucrats spiriting the workers away from the influence of the anti-capitalist minority.

The 6-7,000 anti-capitalists – whether socialist or anarchist - were young mainly working class but for the most part not oriented to the organised labour movements. We have to find ways to overcome this divide - to unite D6 and D7, and so unite the power of the massive working class movement with the radicalism of the anti-capitalists.

We've got to turn the anti-globalisation movement to the working class and make the working class movement anticapitalist. Then we will be unstoppable -15,000 CRS would be no match for us!

The two demos also revealed that the

movement is weaker in France than elsewhere in Europe. Attac, the largest of the anti-globalisation movements in France with 20,000 members, had only a fraction of it supporters on the streets. The far left did little better. Lutte Ouvriere, which scorns the movement, was absent on D7 and had only a token presence on D6. The LCR could have mobilised a lot more.

Nice showed that there is greater awareness in other parts of Europe than in France of both what is at stake in the current struggles against the big corporations and IMF/WB/WTO and the opportunities provided by the new movement to rebuild the left and workers' movement.

Many of the activists were already planning for Barcelona this summer, or Gothenburg in June where the next big EU summit takes place. We must always be where the enemy are.

But we should also take the anti-globalisation, anti-capitalist offensive onto a new plane; we need a new show of strength. Since Seattle there have been hundreds of mass working class strikes against IMF programmes around the world, from Nigeria, to Argentina to India, drawing in not thousands but millions of working people.

We need to fuse this movement into one big global protest on 1 May. Let's go all out for mass strikes, wherever possible, and mass actions against global corporations, stock exchanges and IMF programmes.

All out on 1 May 2001!

From the barricades on D7

ACTION ON D7 began early. The CRS had been in position from the early hours of the morning and various well-dressed, lap-topped people with passes poured through the police lines from 6.00am.

Several thousand anti-capitalist youth from Spain, the UK, Italy, France, Germany, Slovenia, Sardinia, Hungary, Poland, Greece and beyond were up early too, after a lively night of discussion and debate, and even a little sleep.

by the CRS around the summit venue along the avenue de la République. There were a thousand or so from Attac, the French-based campaign for a tax on financial speculation. There were hundreds from the French Revolutionary Communist League (LCR) and similar number from the IST groups mainly from the UK (SWP), Spain, Greece, France and Germany.

Several hundred Basque nationalist and Spanish activists came from the anarcho-syndicalists of the CGT. These, together with the LRCI, made up the self-organised blocs, and there were as many again from small local groups and many independent activists.

Comrades of the LRCI from France, Germany and Britain joined with the LCR and up to 1,000 others to take the rue Barla. Attac led the line at rue Smollet, while the IST and the Basque nationalists formed the bulk at a third junction.

We lined up maybe 50 metres from the CRS line on rue Barla. The first two



We marched to the barricades set up ranks of 20 across were made up of veteran LCR "service d'ordre" - experienced street fighters. The LRCI formed the tightly knit third rank and behind us came many more.

> A glance ahead at the CRS and we could see that they did not have the numbers to physically defend their position from a sustained and serious charge. The half-dozen CRS behind their front line gave us a clue to their tactics: tear gas and pepper gas volleys would be their first not last resort, with the aim of dispersing us.

> We tightened our ranks then leapt up and down as one and the chant rang out - "Tous ensemble! Tous ensemble! Oui! Oui!"

We started to advance. Ten metres away the first loud explosions rang out over our heads. Volley after volley of tear gas canisters burst, enveloping us in the poisonous fumes. We were forced to retreat, coughing and retching, sore-eyed. We regrouped and charged again, were again repulsed.

Finally, we regrouped further back

down rue Barla as the street was thick with gas. Up went the chant: "Police nationale, police du capital".

By now several dozen residents were out on their balconies, cheering us on, and throwing down water, several even handed down lemons and saline to relieve our eyes.

The IST comrades had been repulsed from their positions and joined our contingent. The police decided to attack with gas again before we marched forward. But this time the service d'ordre had a surprise for them.

As the volleys exploded above us, we charged as one group through the clouds and at the barricades.

We finally got to the barricades and came to blows with the CRS. Many of us got pepper gassed and long exposure to the tear gas; finally we had to retreat and every street corner down rue Barla was full of retching and doubled-up militants.

We had done our best. Maybe if we had decided on one point of attack from the first we could have got through their ranks, several dozen with gas masks, and made our point, at least temporarily.

As it was we did well. Only a ring of steel and 15,000 CRS could protect the bosses' politicians as they went about their business. We assembled all the forces from the three blocs and headed off for a demonstration around the centres of old and new Nice and a short rally before heading back to the Convergence centre.

A DIVIDED LEFT

The anti-capitalist left in Europe is more ideological and more diverse than its US counterpart. On show in Nice on D7 were various Trotskyists, anarchists, anarcho-syndicalists, Red-Greens. What happened after the march shows how sharp the differences can be.

When the D7 demo got back to the convergence centre, Spanish anarchists and French members of the SCALP antifascist group decided that the last thing anyone should do was to discuss or plan anything.

So about 40 of them wrecked the meeting that began in the hall. French LCR Euro-deputy Alain Krivine was howled down and anarchist speakers grabbed the microphone while their comrades on the floor started shouting for people to immediately leave the hall and storm a nearby police station where a demonstrator was allegedly being held.

A "vote" was called and they all marched out. The unorganised demonstrators were met by water cannon, more tear gas and repeated police charges, and were chased back into the hall, which the riot police proceeded to fill with tear-gas.

More disorganised street fighting took place. Eventually the air cleared and in the afternoon the meeting began again, whereupon the same thing happened again, and people were called to go and attack a Front National demonstration.

Whatever the understandable frustration of the young anarchist militants who wanted to get to the conference centre, the lesson of the day was clear: disorganised street fighting and shop-burning will get us nowhere. Organised, well-defended and well-planned demonstrations can take on the police and can win.

The movement needs to democratically discuss and decide its actions. Some of the anarchists present were determined this should not happen. The anarchists howled down Alain Krivine because they did not want hear what he had to say and because he identified himself as a Euro-parliamentary deputy (bad) and a member of the Fourth International (worse).

This political intolerance is disgraceful. Debate over the lessons and direction of the anti-globalisation movement must accompany common action, otherwise the action risks being mindless and the movement becomes hijacked by those who shout the loudest.



Where now for Serbia?

Martin Suchanek asks what December's election results foretell for the future of Serbia's revolution

THE RESULTS of the Serbian elections on 23 December confirmed and sanctified what had already been decided on the streets of Belgrade and other cities during the country's October revolution: that the Stalinistnationalist bureaucratic rule of Milosevic's Serbian Socialist Party (SSP) was over.

The period between October and the elections in Serbia was used to get the masses off the streets and direct them to the polling booths.

The Democratic Opposition of Serbia (DOS) won a landslide victory. The SPS was reduced to 10 to 15 per cent of the popular vote. This average vote for the SPS is even worse when you realise that while it gained 40 per cent of the vote among some of the poorest rural areas, it was completely rejected by the workers and youth of all the main towns and cities.

This is no surprise given the central role the students and the workers played in the revolution. The role of the masses was crucial both in the demonstrations and even more so in the strikes, the occupations and finally the storming of the parliament.

The students acted as the key force in starting the movement. OTPOR, a diverse coalition aimed at bringing down Milosevic - in a sense the DOS "from below" - became the main force in the movement. However, it was the workers' strikes, pickets, demos and occupations, and their role in the attack on the parliament, which finished off Milosevic.

This was a revolutionary crisis, not a Western-inspired, stage-managed coup. The ruling section of the Serbian capitalist class and its bureaucratic allies could not rule as before; the masses were not prepared to accept this rule. In all the crucial actions against the government, the opposition parties, their leaders in particular, only appeared on the political scene once the success was secured by the masses.

The spontaneous revolutionary fervour of the workers and students was able to push things forward at the decisive moments of the struggle. The workers and students were able to force the regime to give in, they were able to force the repressive apparatus to retreat, but they were not able to build alternative organs of their own power and use these to smash the old state and build a new,

workers' state. Spontaneity was not enough for this task.

The mass movement in Serbia was an alliance between various classes who fought the Milosevic regime for different reasons: the working class, various parts of the middle strata, peasants, the "democratic" nascent bourgeoisie. It is not accidental that OTPOR ("Resistance") was the main force in the revolution, since it expressed both the dynamism of the masses and their illusions in a cross-class united opposition.

The task of a revolutionary party in such circumstances is to build unity under the leadership of the working class; to break the workers, the students, the peasants from the alliance with the open bourgeois forces and from the leadership of these forces. Tragically, no such party exists in Serbia. But it can be built today by winning those who have learnt the lessons of the October revolution and are prepared to act on those lessons.

Kostunica and Djindjic, the main leaders of the pro-imperialist bourgeois camp, realised that, if they wanted to gain presidential and governmental power, they needed to respond to the masses' desire for unity.

All this helped the opposition leaders, despite their own differences, demobilise a large part of the movement. OTPOR began to disintegrate soon after the revolution. It was a loose organisation opposed to Milosevic and fell apart the moment he was overthrown and people started to think of the future.

The demobilisation of the movement was also made easier because the revolution was not bold enough. The fact that the repressive apparatus was still intact led Kostunica and Djindjic to argue that in order to get "control" over this apparatus, the masses needed to vote for DOS as the only trustworthy democratic "controller".

Even more important is the question of Serbian nationalism and Kosova. Serbian nationalism is the main and strongest ideological weapon to bind the workers and peasants to this or that bourgeois force. Not only are Kostunica and Djindjic open Serbian nationalists, whose chauvinist rhetoric easily rivals that of Milosevic, the whole question of nationalism, war crimes and repression of the Kosovars was set aside by the opposition movement.

The only party which offered a limited challenge to this nationalist consensus was the social democratic SDU, which campaigned on behalf of Albanian prisoners in Serbia. But even this not did not prevent it from eventually supporting Kostunica.

The Stalinist legacy of Milosevic's bureaucratic rule means that the masses have considerable illusions in bourgeois democracy and the market. People are quite aware that there will be further attacks on their standard of living and are aware that a market economy means exploitation of the workers. Nevertheless, they hope that at least they will receive a wage regularly, unlike under Milosevic's "socialism" where wages were not paid for months on end. Likewise bourgeois democracy may be limited but compared with the total lack of democracy under the old regime many believe that it at least offers some rights.

The accumulated experience of war and privation in the 1990s, and the illusions that grew up in the absence of a revolutionary socialist alternative, led to a situation where the revolution was easily derailed in the elections.

However, the fact that Milosevic has been ousted and new rulers installed and legitimised has led to a change in the activity of the workers and students. For many years their political thoughts were occupied with the question "Who rules?", and the Milosevic regime was seen as the main problem. Now they want to see improvements in their daily lives delivered by a regime that they helped install. They are preoccupied with working conditions, the future of their own company, wage agreements, privatisation, student living conditions and so on.

And many are under no illusion how difficult this fight will be. The IMF has already put forward its demands for welfare cuts, price rises and privatisation of industry. The government wants to be more cautious because it fears resistance on a local and regional level, since there still exist in some places quite farreaching elements of workers' control in the enterprises. This is a big problem given the most important element of the coming attacks will be to enforce mass layoffs, restructuring or closure.

Workers are likely to resist lay-offs or closures. Resistance against privatisation is less likely, particularly, if enterprises are sold to well-known international

THE UNION AND STUDENT MOVEMENT

In recent months there has been a significant growth of the independent trade union Nezavisnost from 150,000 before the overthrow of the regime to 500,000 or so at the end of 2000. While the old official trade union formally still organises "100 per cent of the workers", it has actually fragmented into a pro-SPS wing and a pro-DOS wing. It is passive inside the factories, mines and offices. In addition the old unions are unpopular because they organise a number of the hated managers who have plundered the work places.

There has also been a split from Nezavisnost in the region of Kragujevac, a 200,000 strong industrial town. This split has about 50,000 and is the most militant union at the moment. The main reasons for the split were the bureaucratisation of the Nezavisnost central leadership in Belgrade, the monopolisation of contact with international unions by the leader of Nezavisnost, and the question of drawing up a programme for a political party of workers (to orient towards building a social democratic party).

Some leaders in Kragujevac started to draft such a programme, but were prevented from putting it forward, probably due to pressure from the American AFL-CIO, which is opposed to the formation of a social democratic party in Serbia.

A similar development, albeit on a smaller scale, can be seen at the universities with the growth of the Student Union of Serbia (SUS). It has 30 sections in the faculties, the largest at the Economic Faculty in Belgrade. SUS is more of an assembly of student activists at the faculty or university than a union. Branches exist in all university towns in Serbia (Belgrade, Nis, Novi Sad, Kragujevac). Most of its activists have been/are in OTPOR, but are now focusing on SUS, on the question of recognition of the union, on reform of the education system, student living conditions, equipment of universities.

These developments point towards a process of continuing political evolution in Serbia. The election might be over, the struggles are only just beginning.

firms, which will be expected to "invest". The coming year will be vital for an

emerging left in Serbia. The IMF will keep up the pressure for market reforms that will spell job losses for many. During this fluid period a revolutionary left can get a hearing and grow, provided it defends the elements of workers' control won during the revolution. The left must hammer home the idea that this control will only work and make sense if relations between the factories are organised around a democratic national plan. Allowing the market to develop and dictate priorities for investment in the country as a whole and to govern relations between enterprises will lead, sooner or later, to the end of workers' control inside the plants and mines.

Meanwhile, the DOS can be expected

to split, sooner rather than later, into different blocks as the proto-factions within it start to elaborate their own specific programmes. This also means that new elections are likely at the end of 2001/beginning of 2002.

The arguments for an workers' party can gain more of a hearing; the pro-business agenda of most of the parties will become clearer as the rhetoric of unity against the SPS fades. If a workers' party can be built, at least in part based on the organisations of the new and growing unions, and attract the best elements of the students gathered around SUS, if it can lead a fight against the IMF and Nato while championing the national and democratic rights of the Kosovars, then revolution will soon reappear on the streets of Serbia.

Israeli elections: a choice of Zionist reaction

Squeezed by a Palestinian uprising and a collapsed "peace process" on one side and a resurgent Zionist far right on the other, Israel's prime minister Ehud Barak has called elections next month to try to renew his mandate. As *Mark Robbins* explains the campaign reveals a society riven by deep divisions.

IONISM DOES not speak with one voice, rest on a common social base or pursue a single set of political objectives. As dramatic events like the assassination of prime minister Yitzak Rabin by a far-right Israeli in 1996 showed, Zionism can be at war with itself while murdering Palestinians.

Israel is a society divided not just by class, but also shot through with ethnic and religious tensions. These have their origins in the racist ideology which justified the state's creation in 1948, and it is the ways in which these class and other divisions overlap and collide which explain the conflict between Israel's political parties.

The Labour party, often wrongly presented abroad as the party of peace, is the party most closely tied up with the state bureaucracy and its political elite. Its supporters regard it as the founder of the Israeli state and the natural party of government.

Its origins lie in the Mandate period between 1918 and 1947, when British imperialism oversaw Jewish emigration to Palestine and the de facto establishment of a "Jewish national home" there. The Jewish Agency, set up by the British as an autonomous colonial administration, was dominated by Zionist immigrant politicians of Eastern European origin who brought with them the socialist-influenced ideologies of their countries of origin. Along with the Jewish trade union federation, the Histadrut, it acted as the organiser of Jewish social and economic existence under British rule.

This "Labour Zionist" tradition knew that a Jewish colony in Palestine was doomed to be overthrown if it existed as a minority privileged caste exploiting a native (Arab) majority, in the style of the European colonies in Africa.

But instead of seeing in this contradiction the incompatibility of socialism with the Zionist project, it drew the reactionary conclusion that Israel had to be built as a state and society of all classes of Jews. This is what has given the Israeli Labour party and its predecessors their particular character – as the party of the privileged European sections of the Jewish working class in alliance with the Israeli bourgeoisie against the Palestinians and other Jews.

In order to create and maintain a Jewish working class in Palestine, it was Labour Zionist trade unions that drove Arabs out of the workplaces and organised boycotts of Arab produce during the 1930s, and which instituted the apartheid-style exclusion of, and discrimination against, Arabs which culminated in ethnic cleansing in 1947-9.

This policy required a racist ideology of cultural and moral superiority over non-European peoples to give it justification, particularly given the otherwise progressive and democratic impulses of Labour Zionism's working-class social base. It is hardly surprising that this racist attitude later extended to those Jews of Middle Eastern origin who began to emigrate to Israel after 1948.

These Jews, the Orientals, came from a different, non-European culture, and belonged to different religious backgrounds to the largely secular European Zionists, whose religious affiliation, if





The election of Barak will do nothing to stop the oppression of the Palestinians

they had any, was to Ashkenazi Judaism.

Like their European Ashkenazi counterparts, these Oriental Jewish immigrants often arrived in their new country dispossessed and socially isolated. Unlike them, however, they would continue to possess second-class status a generation later – a status that was enforced by discrimination in employment, education and housing, as well as by the stranglehold of the Labour establishment over key political and social institutions.

Their culture was denigrated, their loyalties questioned, and – in the case of many immigrants from Yemen and Morocco – their children taken away on arrival to be raised by Ashkenazi families.

The secular Zionist right-wing tradition in Israel, like the Labour tradition, had its origins in the overwhelmingly European colonists during the British Mandate. However, it was in the minority amongst them, and did not become a serious electoral force until the 1960s, when it utilised the resentment of the growing numbers of Oriental Jews to create a constituency for itself. This is the historic social base of the Likud party.

oncerned that resentment against their second-class status might lead the Oriental Jews to destabilise the state or even to sympathise with the Palestinians – with whom they had more in common socially and culturally than with the labour aristocratic Ashkenazi – the right-wing tradition turned this resentment outwards, against the Arabs.

Thus it was that after the 1967 war, in which Israel occupied the West Bank and Gaza Strip, both Likud and Labour encouraged Jewish settlement in the newly occupied territories, while allowing a whole raft of concessions to religious interference in public life within Israeli Jewish society.

Examples include the establishment of religious schools in a secular state which had previously frowned on religious education, state financial support for bread-winning male Torah students who don't have jobs as a matter of principle, exemption for religious Jews from army service, the growing de-secularisation of Israeli civil society and creeping attacks on democratic rights and free press. All this has created resentment among the Ashkenazi, who see their Western-style culture and personal freedoms threatened.

Another effect of the occupation was to allow sections of the Oriental Jews to move out of the position of a despised underclass and into the middle classes by becoming employers of cheap Arab labour from across the Green Line. It is this dependence on the spoils of occupation which has provided the material base for the hard anti-Arab line taken by the right-wing parties.

The post-1992 Oslo peace process in particular has accentuated these divisions. By recognising that a rapprochement and collaboration with the PLO would involve unpopular concessions on land, autonomy and security, Rabin and the Labour architects of the Oslo process inflamed the settlers and other groups, who saw their social position threatened by the Ashkenazi establishment. The backlash against Oslo, which claimed Rabin's life and brought Likud leader Benjamin Netanyahu to power in 1996, saw a Likud-led government imprisoned by the extremeright settler parties over land and "social" issues.

Shas, the largest religious party, has emerged as a competitor with Likud for the votes of the Oriental Jews within Israel's pre-1967 borders. While pragmatic enough on settlements, land and the peace process to serve in Barak's Labour-led coalition (as well as Netanyahu's previously), it has proved a thorn in the side of the government's attempts to conclude a deal with the Palestinians, resigning from it after the Camp David talks last year.

Its political objectives involve a strengthening of the Orientals' position within Israeli civil society, largely through state-funded attempts to alleviate poverty and encourage Oriental religious institutions.

Israel B'Aliyah is a recent phenomenon based upon the "Russians" – the recent Jewish immigrants from the for-

mer Soviet Union. Highly secular and right-wing, it takes a much tougher line in favour of retaining the settlements and West Bank lands than Shas. It has found co-operation with other right-wing parties difficult, especially as the religious parties regard many of its supporters as not being genuinely Jewish.

hen there is the settler movement – religious but largely Ashkenazi Jews, often from North America, Russia and Western Europe, wealthy in comparison to the Orientals and motivated by extremely violent racism towards the Arab Palestinians in whose midst they live.

They are regarded by the outside world—with justification—as the main obstacle to a peace deal. While Labour has always been the party of pragmatic territorial expansionism, this movement regards the occupied territories as a sacred part of "Greater Israel", and fantasises about Jewish settlement "from the Euphrates to the Nile"—or at least in as much land as Israel can steal and hold.

The (Ashkenazi) religious parties from this tradition have always had a difficult relationship with the Zionist project. Their ideological predecessors in 19th century Eastern Europe regarded the worldwide Jewish Diaspora as a holy punishment for the sins of the Jewish people, and they viewed the Zionist project of a Jewish state as a blasphemous usurpation of the role of the coming Messiah.

These groups virulently hate each other, even if in the West they are presented simply as "the right" or as "opponents of the peace process".

Finally, there is the largest and most oppressed minority within Israel – its Arab citizens. These form some 18 per cent of the population. The descendants of the Palestinian Arabs trapped inside Israel after 1948 were mainly peasants or tenant farmers, already under pressure from Zionist settlers with designs on their lands.

After 1948, they found themselves non-Jewish citizens of a country which defined itself as the state of the Jewish people, wherever in the world they might be, rather than as the state of its own residents.

They were subject to military rule until 1966, restricted in their political expression and excluded from the economic life and institutions of the new state. In particular, they were excluded from the universities by a deliberately under-funded education system, separate from Israel's Jewish citizens.

Finding themselves gradually expropriated from the land, many emigrated from their villages in the Galilee to the large Jewish cities, finding work in the most menial and badly-paid occupations, and in the process competing with the Oriental immigrants for jobs and housing.

During the 1990s the economic and social position of Israel's Arabs has deteriorated as they have been pushed down further in society by the rapacious claims of one or other section of Israeli Jewish society.

The Arabs voted for Barak in their overwhelming majority in 1999, helping him gain a majority. But the fact that Barak's record has been in some respects worse than Likud has led to great disenchantment.

Also, during the recent clashes in the Occupied Territories, 13 Israeli Arabs were killed during rioting within Israel. It is likely that the Arabs will abstain from voting this time, or even vote for an Arab candidate, thus depriving Labour of a large source of votes.

In the elections next month socialists cannot vote for Barak. Israel is a country wracked by mutually conflicting projects, within Israeli Jewish society, itself divided by class and ethnicity. The stability of the Zionist state rests on its unifying racist ideology as justification for the oppression of the Arabs

Barak is not "the candidate of the peace process". He will not inevitably be "a lesser evil" to Likud's Ariel Sharon, as Barak's record on settlements shows.

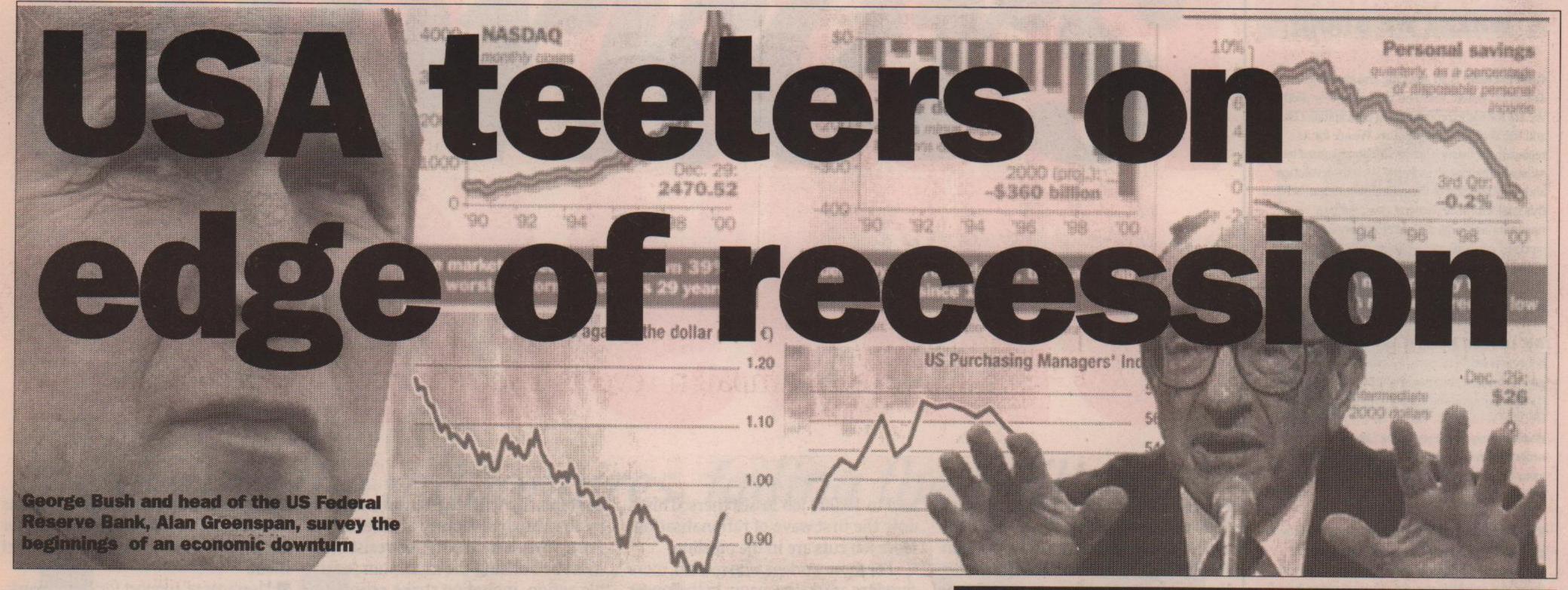
For socialists, the only answer is the revolutionary destruction of the Zionist state which rests on continued oppression and denial of democratic rights; a Zionist state simply cannot live harmoniously alongside a democratic Palestinian state without ceasing to be Zionist.

We do not advocate that Israel be overrun from the outside by its bourgeois Arab neighbours, states that have no more care for the national rights of the Palestinians than Israel.

The Israeli state – an edifice of privilege and patronage – must be torn down by an insurgent movement of Palestinians under Zionist occupation, its Arabs "citizens" and by those progressive Jewish Israelis who can see through Zionism. These forces must be supported by mass actions of Arab workers in the region.

Israel must be replaced with one secular, bi-national workers' state in the whole of historic Palestine. Only in such a state can all the ethnic components of Israeli and Palestinian society find legitimate expression for their cultural, social and national rights.

And only in such a state will there ever be a just and permanent peace between Arabs and Jews.



The boom in stock markets is over and the downturn in consumer demand has exposed the mass of excess stocks and collapsed profits. *Paul Morris* looks at the prospects for recession in the USA.

The world's biggest and most dynamic economy faces recession. In the last quarter of 2000 all the major graphs that measure the United States' economy turned downwards. Growth was running at 5 per cent a year in the first half of 2000, at 2 per cent by September and probably 1 per cent now.

Signs of recession are all around. Microsoft, Dell, Hewlett-Packard and Intel all issued profits warnings for 2001. General Motors announced it will slash 20,000 US jobs. Union Pacific railroads is sacking 2,000 workers. Montgomery Ward has sacked 37,000 workers and closed all of its 250 stores.

Up to this point, the USA has enjoyed the longest economic recovery in post-war history – nine straight recession-free years. So what's gone wrong?

The stock market started to slide in April last year and never recovered, destroying 10 per cent of the value of US companies during 2000. NASDAQ, the technology stock market has crashed 50 per cent, taking out 200 dotcom firms; eToys has seen its share price collapse from \$31.50 to 20 cents and is on the verge of bankruptcy.

The destruction of dozens of retail firms is no accident. The steady deflation of the stock market over the last nine months has drained the fuel that kept the economic engine going in the USA.

An astonishing 49 per cent of all US households own stocks. In 1999 when stock markets ballooned household assets soared by \$5.5 trillion. Around 5 per cent of this found its way directly into consumer spending on new goods and services, a sector which accounts for two-thirds of all economic growth in the USA.

When the stock market went into

steep decline so did, after a time lag, consumer spending. Wages have largely been flat over the last nine years and savings are negative, so there was no room for these to take up the slack.

Falling profits and revenues are leading to a "credit crunch", a classic harbinger of recession. Companies borrowed heavily in the boom to invest in the belief that the good times would never end. Banks especially fear that they are overexposed to the high-rolling borrowers in the booming telecoms industry.

According to the *Economist*, banks have taken a close look at their loan portfolios and turned "white with fear". Likewise, it is becoming harder for corporations to raise money by issuing bonds.

Small privately-owned firms looking to grow by issuing shares (the so-called Initial Public Offering or IPO) see the route effectively barred by falling share prices.

The Federal Reserve's response was a big emergency cut in interest rates. The size and nature of the cuts has led some to think that the Fed is so alarmed by the scale of company indebtedness in the wake of the collapse of profits and market valuations that it could soon be having to bail out a major company in order to avert a slump – as it did with the "too big to fail" US hedge fund, Long Term Capital Management, in 1998.

While the Fed is likely to reduce interest rates further, in an attempt to engineer a soft landing, the overhanging debt of companies, the high exposure of individuals and investment firms to a still-overvalued stock market, and the persistent sharp falls in operating profits across US corporations are all factors that signal a harder landing.

Naturally, there are reserves left in the world's only superpower to mitigate

the coming recession. Nine years of boom have transformed the federal government's finances and they have turned a huge debt into a major fiscal surplus. The new Bush administration is pressing hard on Congress to agree a large and swift tax cut to alleviate the burden on corporations. This could help companies deal with their debts or write-off, at a stroke, the cost of plant equipment they are saddled with, thus improving their balance sheets.

An across-the-board tax cut would also help to sustain consumer demand during this coming year. Alternatively, or alongside these measures, the falling value of the US dollar (due to the fact that the US is no longer sucking in the bulk of other countries' money) could be deliberately boosted by the US administration to engineer a boom in US exports, and so shift the engine of growth and profits away from domestic demand.

Finally, and above all, the ability of US corporations to off-load the crisis onto its workforce through the swift implementation of mass redundancies is, as in 1990-91, all too evident.

More likely than a big 1929-style crash and sharp slump is that the USA faces a similar fate to that which has beset Japan over the last decade, as it has painfully worked its way through its huge debt bubble.

And the debt bubble is huge. Shares in Wall Street are still over-inflated. Property prices too. Then there is the record level of household debt. All this will take many years to work through. In the place of inflation, a new fear will arise, that of deflation, first hitting Japan, then the rest of the world. Protracted stagnation in the USA alongside Japan would have enormous implications for the rest of the world.

BOOM GIVES WAY TO BUST

The renewed boom in 1999/2000 snatched the USA from the jaws of recession. But despite the claims of some commentators, neither the Federal Reserve's astute interventions nor the undoubted effect of new technology investments can abolish the business cycle or the underlying causes of capitalist crises.

Understanding the sources of profit in the real economy is the key to understanding crisis. Because capitalist economics exists to cover up the real source – the work of workers – it can't properly explain or anticipate crisis.

Boom and bust works like this: capitalists invest in technology to maximise their competitive advantage – allowing them to produce cheaper than other capitalists, and either boost profits or increase market share.

This relentless drive to expand profit leads eventually to an over-accumulation of capital; that is, more capital (embodied in plant, equipment and stocks) exists than can be sold in an already glutted market place at a price that realises the profits locked up in them.

This is what happened in Asia in 1997, after six feverish years when that region attracted 40 per cent of all the world's capital investments. Eventually, debts piled up by firms and governments in order to carry on investing could not be repaid, given the fall off in sales due to a saturated market for computers, white goods and cars. So investors and banks withdrew their money leading to a collapse in firms and currencies.

Now this is happening in the USA. Massive over-investment and profits over the last years were sustainable as long as an inflated stock market could boost demand and sustain prices. Now this period is over.

WHO IS TO BLAME?

Who are the capitalists going to blame for the looming recession? Normally they rail against excessive wage demands or "restrictive labour practices" of the workers. But in the USA union rights and membership have been squeezed for decades and despite low levels of unemployment, wage demands have been surprisingly moderate, even by the admission of the capitalists themselves.

Or maybe they can blame greedy Arabs for the rise in the oil price? In 1990 they offloaded the US recession onto the effect of an oil price rise after Iraq invaded Kuwait. In fact very low oil prices (\$18 a barrel) until late 1998 helped fuel the expansion and kept inflation in check. Even when it rose to \$32 a barrel months ago, this was after the stock markets turned down. The recession is now looming and the balance sheets of the big companies are getting worse even as oil prices are back down to \$25 a barrel and less.

The scapegoats will be harder to find this time. The triumph of Thatcher and Reagan, encapsulated by the doctrine of neo-liberalism, has now enveloped the whole world economy, even those in the former Soviet Union. Capitalism has been functioning in a purer form than it has enjoyed for more than a century. If capitalism has managed to function in such an ideal form, then it is going to be difficult avoiding the accusation that there is something fundamentally wrong with it, that it has only itself to blame for its crisis.

The coming recession will also throw the debate on globalisation into new focus. During the 11 year period of growth the debate on globalisation has been framed by the assumption that globalisation brings growth.

As recession kicks-in, outside the USA, national governments will find they have far fewer levers to pull to soften the blow.

The assumption that capitalism equals growth, rising incomes, technological innovation and full employment will be seen as an illusion created by special circumstances and self-interested US economic policy.

Escaping recession in 1998

THREE YEARS ago it looked as though "Asian contagion" would pull the US economy down. The financial markets were gripped with palpable fear: the Asian stock market crash of 1997 and currency crisis raised the spectre of a world recession.

The Federal Reserve lowered the cost of borrowing by cutting interest rates and so helped to avert a credit crunch for businesses affected by the fall-off in demand for US goods in Asia.

 Countries and investment firms that threatened to default were propped up in 1998, most spectacularly by IMF loans to Brazil, Korea, Russia.

den Asian stock markets arrived on Wall Street. Share prices collapsed 20 per cent in the summer of 1998 because of fears of recession spreading to the USA. But the Fed's actions and the influx of capital into Wall Street fuelled the share price boom, especially in the over-hyped dotcom sector. By January 1999 they reached an all-time high and continued to set new records until April 2000. The massive stock market boom led to a wave of mergers and acquisitions, and investment in new plant and equipment.

There were sustained improvements in productivity after 1996 as a result of accumulated new technology investments. This did more than anything else to ensure that the massive injection of new money into the US economy during 1998 and 1999 did not lead to a take-off in inflation. The long-term effects of a decade or more of defeats for the US working class made sure that US corporations could suppress real wage growth for most of the 1990s and so turn most of the gains in productivity into a real increase in profits.

WHERE WE STAND

CAPITALISM is an anarchic and crisis-ridden economic system based on production for profit. We are for the expropriation of the capitalist class and the abolition of capitalism. We are for its replacement by socialist production planned to satisfy human need. Only the socialist revolution and the smashing of the capitalist state can achieve this goal. Only the working class, led by a revolutionary vanguard party and organised into workers' councils and workers' militia can lead such a revolution to victory and establish the dictatorship of the proletariat. There is no peaceful, parliamentary road to socialism.

THE LABOUR PARTY is not a socialist party. It is a bourgeois workers' party—bourgeois in its politics and its practice, but based on the working class via the trade unions and supported by the mass of workers at the polls. We are for the building of a revolutionary tendency in the Labour Party, in order to win workers within those organisations away from reformism and to the revolutionary party.

THE TRADE UNIONS must be transformed by a rank and file movement to oust the reformist bureaucrats, to democratise the unions and win them to a revolutionary action programme based on a system of transitional demands which serve as a bridge between today's struggles and the socialist revolution. Central to this is the fight for workers' control of production. We are for the building of fighting organisations of the working class-factory committees, industrial unions, councils of action, and workers' defence organisations.

OCTOBER 1917: The Russian revolution established a workers' state. But Stalin destroyed workers' democracy and set about the reactionary and utopian project of building "socialism in one country". In the USSR, and the other degenerate workers' states that were established from above. capitalism was destroyed but the bureaucracy excluded the working class from power, blocking the road to democratic planning and socialism. The parasitic bureaucratic caste has led these states to crisis and destruction. We are for the smashing of bureaucratic tyranny through proletarian political revolution and the establishment of workers' democracy. We oppose the restoration of capitalism and recognise that only workers' revolution can defend the post-capitalist property relations. In times of war we unconditionally defend workers' states against imperialism. Stalinism has consistently betrayed the working class. The Stalinist Communist Parties' strategy of alliances with the bourgeoisie (popular fronts) and their stages theory of revolution have inflicted terrible defeats on the working class world-wide. These parties are reformist.

SOCIAL OPPRESSION is an integral feature of capitalism systematically oppressing people on the basis of of race, age, sex, or sexual orientation. We are for the liberation of women and for the building of a working class women's movement, not an "all class" autonomous movement. We are for the liberation of all of the oppressed. We fight racism and fascism. We oppose all immigration controls. We fight for labour movement support for black self-defence against racist and state attacks. We are for no platform for fascists and for driving them out of the unions.

IMPERIALISM is a world system which oppresses nations and prevents economic development in the vast majority of third world countries. We support the struggles of oppressed nationalities or countries against imperialism. We unconditionally support the Irish Republicans fighting to drive British troops out of Ireland. But against the politics of the bourgeois and petit-bourgeois nationalists, we fight for permanent revolution-working class leadership of the anti-imperialist struggle under the banner of socialism and internationalism. In conflicts between imperialist countries and semi-colonial countries, we are for the defeat of the imperialist army and the victory of the country oppressed and exploited by imperialism. We are for the immediate and unconditional withdrawal of British troops from Ireland. We fight imperialist war not with pacifist pleas but with militant class struggle methods including the forcible disarmament of "our own" bosses.

WORKERS POWER is a revolutionary communist organisation. We base our programme and policies on the works of Marx, Engels, Lenin and Trotsky, on the revolutionary documents of the first four congresses of the Third International and the Transitional Programme of the Fourth International. Workers Power is the British Section of the League for a Revolutionary Communist International. The last revolutionary International (the Fourth) collapsed in the years 1948-51. The LRCI is pledged to fight the centrism of the degenerate fragments of the Fourth International and to refound a Leninist Trotskyist International and build a new world party of socialist revolution. If you are a class conscious fighter against capitalism; if you are an internationalist-join us!

workers Jobs Massacre at Luton Car Plant

For the carworkers of Luton the year 2000 certainly ended with a bang. General Motors (GM) announced its plan to shut down production at the town's Vauxhall plant and sack over 2,000 workers.

The Vauxhall workers soon responded with a little Christmas present of their own for the GM Grinches: an unofficial strike and an occupation.

If GM's plans go ahead Luton will be devastated. The ending of all motor manufacture at GM's Vauxhall plant, will mean the immediate loss of 2,200 jobs, followed by thousands of others in firms that supply and service the GM plant.

GM is the world's biggest car producer. Its plans to cut capacity in Europe and North America by 10 per cent are a part of the global crisis in the car industry. GM aims to shed about 5,000 jobs in Europe. It also wants to end the Oldsmobile line in the USA, which could lead to 10,000 job losses there. This is only the first wave of rationalisation. More job cuts are in the pipeline.

For those workers who remain, more speedups are on the menu. In the longer term GM is hoping to shift an increasing proportion of European production to the plant they bought two years ago in Giwice, Poland.

If jobs are to be defended, it will require an international fight and the determination and commitment to action shown by the Vauxhall workers in December.

In response to the GM announcement, a joint meeting of the unions at the plant declared their determination to resist closure "by whatever means". Workers walked out on unofficial strike and organised a magnificent occupation of the Vauxhall offices.

Following the national stewards' meeting, there was a three-shift strike in solidarity with the Luton workers by the Vauxhall factory at Ellesmere Port. The next step in this resistance must be building the maximum possible action, including strike action, in the European-wide day of action in GM plants on 25 January. Where plants like Luton are threatened with closure, there must be plans to occupy the plant and hold all its expensive technology to ransom.

A full meeting of the International Metalworkers Federation's European Manufacturing Committee has been called to develop a union strategy to resist the GM proposals.

International co-ordination is urgently needed when car giants like GM aim to slash jobs internationally. But rank and file car workers need to link up across boundaries, rather than relying on union leaders.

Militant action and international co-

ordination can beat the corporate giants like GM. Luton workers are fighting for both. Every worker should support them.

Messages of support for Luton workers should be sent to John Jack (Vauxhall convenor) phone: 01582 426873 fax: 01582 426221

Sign the e-mail petition e-mail john.jack@vauxhall.co.uk

DEMONSTRATE

Support the Vauxhall workers' fight against closure 20 January, Luton

Car industry crisis is worldwide

The cause of the current crisis in the car industry is capitalist over-investment in the search for higher profits and market share. This race to dominate world output leads to a constant push to increase productivity, with each car-maker trying to undercut their competitors in the increasingly competitive market.

As a result, productive capacity massively outstrips effective demand. If all the world's car plants were working at normal capacity, they would probably be turning out 40 per cent more cars than the market could absorb under boom conditions.

In the world's two largest markets, North America and Europe, car sales are now falling. All the car giants now face a squeeze on their profits - GM Europe lost \$181 million in the third quarter of 2000 and Chrysler's US losses for the same period were \$512 million.

The weakest will go under. **Daewoo was declared bankrupt** in November. Even the strongest must concentrate production in their most profitable plants and models if they are to continue their dominance. GM's rationalisation plans are the first step in this process.

Daimler-Chrysler have publicised their intention to step up co-operation with Mitsubishi in sharing of components in future models. They have not yet made any public announcements of the number of jobs they want to shed.

Reports suggest the next announcement will be a rationalisation of the European production of Renault-Nissan, with the probable closure of the Nissan plant at Sunderland.

For years carworkers have been told that their future is

secure if they avoid strikes and increase productivity. The jobs massacre proves this is a lie.

Many trade union bureaucrats have already responded to the announcements by promoting national capitalist solutions. **Transport and General Workers Union General Secretary Bill Morris called on the British** government to respond to "urgently address this haemorrhage of skilled jobs from the UK to Europe."

Such responses can have only one effect: unions in different countries compete with each other to offer the bosses speedups and unsocial shifts in a futile attempt to ensure the axe only falls elsewhere.

Where plants are threatened with closure, socialists call for occupations of the plant and nationalisation under workers' control, with government funding to guarantee wages and jobs, and no compensation to the bosses. International links between rank and file car workers also need to be built to campaign for a workers' answer to the crisis that global capitalism is inflicting on car production.

The world cannot absorb ever more cars, with their harmful effect on the environment and disastrous effect on transport. Workers do, however, need lots of other things that these factories can be converted to producing. But this requires a rational and global plan beginning at least on a Europewide level.

For this we need to control the levers of government and finance. We need a workers' government and a democratic plan that abolishes production for profit and starts from what we need, not what can make the rich even richer.

Contact us on 020 7793 1468

Workers Power is the British Section of the League for a **Revolutionary Communist** International

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ELECTION FUND

It's odds on that Blair will call an election in May. The Tories are stuffed and the only progressive opposition to New Labour at the polls will come from Socialist Alliances. **Workers Power aims to have** one or two of its supporters on the slate. We don't expect to breach the new campaign spending limit of £15 million but with your help we will get close. SEND MONEY NOW!

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