

workers power

April 2008 ★ Price £1 / €1.50 Issue 324

Monthly magazine of the British section of the League for the Fifth International

**As Tory Lords
blame migrant
workers for
growing
economic
crisis...**



Photo: Guy Smallman

Migrant cleaners were being superexploited by the Houses of Parliament until they won a pay rise taking them from a paltry £5.30 an hour to £6.70. Then immigration officers swooped and some of them were deported in a raid. Now Lords and MPs are trying to turn British-born workers against them, claiming immigration causes poverty. We examine their claims and find them to be... racist

Inside:

- The meaning of the Obama phenomenon
- Recruiters of death – out of our schools
- Zimbabwe: can workers oust Mugabe?
- Iraqi resistance defeats US stooges
- Teachers – all out on 24th April!

RACIST LIES EXPOSED

**FOR FULL ANALYSIS
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**League for the
Fifth International**

EDITORIAL

May Day 2008: for united action to combat the economic crisis

By Simon Hardy

May Day is international workers day. It is a good time for workers and socialists everywhere to take stock of the situation, identify the major fault lines in the class struggle and plot a course for united action. This year, such a task is more pressing than usual.

Housing crisis

The global credit and banking crisis started in the USA as poorer people found they could not keep up their mortgage payments. Now tent cities have begun to appear in Southern California. One man said he had a choice between "feeding my family or keeping the house, so I got rid of the house". With one in five homes in the US classified as "sub-prime", as many as two million American families could lose their homes.

In Britain as the subprime crisis hit the banks and building societies Brown tore up his neoliberal rules and bailed out leading mortgage lender Northern Rock to the tune of £25 billion, then nationalised it, thus "socialising" £100 billion of its potential losses.

House prices fell by 2.5 per cent in February alone, and are set to fall "by a quarter or more over the next two years", according to Andrew Seager of The Guardian. For ordinary families facing "negative equity" or repossession there will be no handouts. Mortgage companies have withdrawn their cheap rates and are putting them up for existing customers. Co-op Bank and First Direct have closed their doors to new business. A large part of the "home owning democracy" could find itself without a roof over its head.

There's nowhere else for former homeowners to go; 80 per cent of people in Britain have mortgages, much of the public housing stock has been sold off and Labour plans to build just 2,500 council homes this year.

Inflation

Meanwhile, inflation is causing a significant rise in household bills. In recent months, gas and electricity costs have jumped by over 10 per cent. Basic food stuffs, such as cheese, bread, rice and milk, rose by 17.6 per cent in February. Petrol - and thus all transport costs - has risen to an all-time high of £1 a litre.

The poor, who pay a much higher percentage of their income on these items, are the hardest hit. Yet, their share of the national tax burden has also risen. This month the 10 per cent tax bracket is abolished; those earning under £18,500 a year and without children - five million people - will lose out. Council tax bills and flat rate duty on alcohol will also take their toll on working class household budgets.

All this is at a time when the government is capping wage increases to between 2 and 2.5 per cent a year over the next three years, meaning that the wages in our pockets will be losing value

as costs spiral upwards.

Divide and discipline

This is just a foretaste of what could come. The USA is already probably in recession, and the International Monetary Fund, which warns the credit crunch could cost \$1 trillion, has downgraded Britain's growth forecast. Most experts now expect the UK to follow the US into recession. Employment in the financial services sector, which has motored the UK economy for the past decade, has fallen sharply. Public finances are in their worst shape for many years, so expect more cuts in jobs and services there, too.

In times like these, the bosses will try to force the burden of the crisis in their system onto the working class, they will try to divert anger away from them, they will try to instill "discipline" into the youth, the sick and the unemployed.

Instead of 'socialising' the billionaire investors' losses, we want to socialise their banks, factories, shops, so that we can satisfy the needs of the many, not the greed of a few

Elsewhere in this issue, we cover some of these flashpoints. The war in Iraq is going badly (pages 14-15) so the state is trying to restore the army's image and up the pace of recruitment to it (pages 8-9). We print the US dockers union ILWU's call for strike action to stop the war (see opposite).

In anticipation of rising unemployment, the right wing press and the Tory Lords are beginning to point the finger of blame at migrant workers and stir the racist pot (pages 4-5). As always, when a serious economic crisis approaches, major flashpoints will occur around the world - we cover Zimbabwe and Tibet (pages 20-21) this month. Here workers' solidarity action will be vital.

Amidst the clamour to save the system, to blame the poor, the immigrants, we need a radically different message. Instead of the state bailing out failed banks with our money, we call for all the money houses to be nationalised and amalgamated into one central bank. The mortgages of those people unable to pay should be cancelled. A massive programme of council home building must be launched, paid for by taxing the rich and the big corporations.

Businesses that claim they are broke and must

make job cuts should be forced to open up their books to trade union and workers inspection. If they are discovered to be bankrupt or have mismanaged their funds then they should be nationalised, without compensation and run by the workers themselves.

With an inflation set to spiral out of control, it is vital that workers do not allow the bosses to rip them off by holding down wages while prices soar. The two and three year deals, which many union leaders are negotiating, must be rejected out of hand.

They are doing this instead of forming a common front against the government's pay-cutting offers, despite Gordon Brown and Alistair Darling making it clear that they want public sector wages well below the rate of inflation; 2.45 per cent (or less) is now the standard offer to teachers, council employees and others.

New leadership

Workers are rightly furious. Yet the TUC tops are stringing out the disputes with useless negotiations, "consultations" and ballots for only one-day strikes. Last year, the TUC congress voted unanimously for "co-ordinated industrial action" to beat the pay freeze. Then the leaders did nothing. We should activate this call - from below, forming committees of action with delegates from every section under threat, in the private as well as the public sector, from service users as well as service providers.

Local government, teachers, civil servants and health workers should demand a united strike now. Bring forward claims and strike on 24th April. This must not become yet another "one day wonder", letting off steam to allow the union bureaucrats to continue with selling us out the day after. Instead, it must be a dress rehearsal for an all-out indefinite strike to win the unions' full claims.

Instead of multi-year deals, we should call an all out strike for a sliding scale of wages: 1 per cent rise in pay for every 1 per cent rise in living costs, as determined not by the rigged government cost of living indexes but by working class price-watch committees.

Vladimir Lenin said that modern imperialism is decaying capitalism in transition to socialism. The current crisis reveals how it can only be kept afloat by the state intervening to prop it up. But instead of "socialising" the billionaire investors' losses, we want to socialise their banks, factories, shops, so that we can satisfy the needs of the many, not the greed of a few. We can turn today's struggle against the crisis into a fight for socialism itself.

But to do that, we need to get rid of our existing leaders, who have proved they are incapable of even defending our previous gains. We need to forge a new leadership. That is the task Workers Power and the League for the Fifth International has set itself. Join us!

For Workers' Action to Stop the War

International Longshore and Warehouse Union
San Francisco, California
February 8, 2008

WHEREAS: On May 1, 2003, at the ILWU Convention in San Francisco resolutions were passed for an end to the war and occupation in Iraq; and

WHEREAS: ILWU took the lead among labor unions in opposing this bloody war and occupation for imperial domination; and

WHEREAS: Many unions and the overwhelming majority of the American people now oppose this bipartisan and unjustifiable war in Iraq and Afghanistan but the two major political parties, Democrats and Republicans continue to fund the war; and

WHEREAS: Millions worldwide have marched and demonstrated against the wars in Iraq and Afghanistan but have been unable to stop the wars; and

WHEREAS: ILWU's historic dock actions, 1) like the refusal of Local 10 longshoremen to load bombs for the military dictatorship in Chile in 1978 and military cargo to the Salvadoran military dictatorship in 1981 and

2) the honoring of the teachers' union antiwar picket May 19, 2007 against SSA in the port of Oakland stand as a limited but shining example of how to oppose these wars; and

WHEREAS: The spread of war in the Middle East is threatened with U.S. air strikes in Iran or possible military intervention in Syria or the destabilized Pakistan;

THEREFORE BE IT RESOLVED: That it is time to take labor's protest to a more powerful level of struggle by calling on unions and working people in the U.S. and internationally to mobilize for a "No Peace No Work Holiday" May 1, 2008 for 8 hours to demand an immediate end to the war and occupation in Iraq and Afghanistan and the withdrawal of U.S. troops from the Middle East; and FURTHER BE IT

RESOLVED: That a clarion call from the ILWU be sent with an urgent appeal for unity of action to the AFL-CIO, the Change to Win Coalition and all of the international labor organizations to which we are affiliated to bring an end to this bloody war once and for all.

The League for the Fifth International salutes this appeal for international solidarity action on May Day 2008 in protest at the imperialist slaughter taking place in Iraq and Afghanistan.

We warmly appreciate the International Longshore and Warehouse Union's decision to "stop work to stop the war". We urge all our readers and all workers to raise this call in their own unions and workplaces.

With an economic crisis already hitting the USA, itself linked to the massive and appalling waste of resources on imperialist wars, while living standards fall, we believe that a worldwide strike movement would help enormously to rally the forces we need to ensure this crisis is not unloaded on the backs of workers and the poor.

Stop work to stop the war!

Troops out of Iraq and Afghanistan now!

Victory to all those fighting imperialism!

Long live May Day!

NEWS IN BRIEF

GREEK GENERAL STRIKE

A three million strong general strike in Greece has rocked the neoliberal government. Workers across all sectors shut down the country. The workers are defending their pensions.

The strike came on the back of three weeks of action by dockers, electricity workers, binmen and women, and bus, tram and train crews. Dockers have fought pitched battles with police special forces.

An indefinite general strike could bring down the government and open the way for a struggle for power.

SAVE MEHDI KAZEMI

What hypocrisy! While drumming up support for a war with Iran, the British government is intent on deporting Iranian asylum seekers to their death.

The Islamic regime has executed more than 4,000 lesbians and gay men. This is the fate facing Mehdi Kazemi, a gay teenager whose boyfriend was hanged by the regime in 2006 for the "crime" of being homosexual. We urge all our readers to write to the Home Office and demand he and all Iranian refugees are granted unconditional asylum.

SUKULA FAMILY VICTORY

And to prove campaigning can stop deportations, we are pleased to report that the Sukula family won indefinite leave to remain in Britain on 27 March. Local trade unions and community groups have demanded the family be allowed to stay in Bolton, after they fled civil war in Congo.

The government used Section 9 of the Asylum Act 2004 to deny the Sukulas housing benefit or any means of subsistence for 17 months. But they did not break the campaign - the campaign broke Section 9, which has now been ditched.

GREG TUCKER DIES

It is with sadness that Workers Power heard of the death of Greg Tucker. Greg was a member of the Fourth International, and a leading militant in the transport union RMT.

Greg was a thorough internationalist and a keen promoter of the anti-capitalist movement. But he was probably best known as a train driver who was sacked for trade union activities - and reinstated after his fellow workers took strike action.

Greg also played a major role, with Workers Power, in raising the need for a new workers party in the RMT.

Our condolences go to his partner, Joan, and his comrades.

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ANTI-RACISM

Immigration 'debate' is a smokescreen for racism

The House of Lords has issued a report denying the economic benefits of migrant workers and calling for a cap on their number. *Jeremy Dewar* looks at their evidence – and questions their motives

Two reports on asylum and immigration have revealed diametrically opposed assessments of Britain's treatment of newcomers. The Independent Asylum Commission lambasted a "shameful" treatment of refugees "marred by inhumanity" and "perverse and unjust". However, a House of Lords select committee report, *Economic Impact of Immigration*, claimed migrants were of "small or insignificant" benefit to Britons; they lower unskilled wages, raise housing costs and place strains on public services.

The first report exposed policies that denied refugees a fair hearing, using destitution, denial of medical care, and detention to force "voluntarily" repatriations. Despite Labour's policy of splitting up families and locking up children, a quarter of all deportation appeals succeeded in 2006. The report took evidence from former home secretaries, academics and hundreds of asylum seekers. And it was ignored.

The Lords' report condemned the government for allowing wives, husbands and children of British residents and citizens to come here to live and called for limiting migrant numbers to "an explicit target range" with a view to reducing them. It was compiled by Lord Wakeham, Margaret Thatcher's electricity and gas-privatising energy secretary, two former Tory chancellors, a former Bank of England governor and dozens of conservative economists.

Suddenly, the BBC proclaimed that a national "debate" had begun. The Daily Mail headlined it, "Immigration: the great lies". Shadow home secretary David Davis welcomed proposals to cap immigration as "a policy that we have been arguing for, for years," while Liberal Democrat Chris Huhne added to the hysteria that always marks these debates, claiming "the government has completely lost track of the number of people who live in this country".

Soon Labour ministers were jostling to get onto the same ground. Gordon Brown said his new system would "restrict the numbers of people who come into this country from outside Europe". Immigration minister Liam Byrne said migrants would have to pay "a little bit extra" for public services and



Migrant agricultural workers

unskilled workers from outside the European Union would be banned. Home Secretary Jacqui Smith announced a new 1,000-strong UK Border Agency would work with police to search vehicles, trains, planes and workplaces to track down undocumented workers.

Where's the evidence?

This is hardly a surprise from the Tories and their tabloids. The first opportunity to make electoral capital out of it and David Cameron drops his liberal mask, revealing the nasty racist party we always knew the Tories were. Since when have Tories been so concerned about low paid workers, under funded public services or unaffordable housing?

But before we ask why all the major parties are converging on right-wing racist ground, we must look more closely at the report. Does the evidence add up? Despite the BBC trumpeted "debate", neither it nor the Daily Mail actually say what is actually in the report. For that, you would have to trawl through 84 turgid pages. Nevertheless, it is worth doing.

First, the economics. Much of the report rests on the assumption that

migration trends from the recent years of economic upswing can be projected upwards indefinitely. Since net immigration – those arriving minus those leaving the country – currently stands at 190,000, this is predicted to continue till 2056 and in one case until 2082!

This is a preposterous piece of racist demagoguery. The history of migration in Britain has seen wide swings from a net outflow of people to periods like the last couple of years when more come in than leave. Immigration is motivated by global factors. First and foremost are the ups and downs of the economic cycle and the unevenness between economic development in different countries. Workers – despite all the immigration laws in the world – moves towards where there are jobs and higher wages from places where there are not.

In recessions, like the one that is looming, immigration falls as swiftly as it rose in the boom phase. Also capitalism's terrible failure to develop regions like West Africa and Central America pushes the most active and enterprising young workers towards the European Union, the USA and Canada.

Since a part of immigration consists of

asylum seekers fleeing wars or dictatorships – as in Iraq, Afghanistan, Congo, Colombia – most of them ones in which the “advanced” imperialist countries have a major responsibility for the mayhem – the attempt to deny the basic human right of asylum, assuming them to be “bogus” unless they can absolutely prove otherwise, is an outrage. Do our rulers expect repressive regimes or marauding death squads to issue official certificates that you have been raped or tortured?

The Lords' report agrees with the government that immigration benefits the British economy by £6 billion a year. Yes, immigrants fill job vacancies, their Lordships continue, but they also “create new demands for products and services”, and play no role in “significantly reducing vacancies”.

Of course, the more work being done, the more wealth a society creates. The question is how hard people are made to work and who that wealth then goes to. Super-long working hours, a miserly minimum wage, the growing wealth gap, climbing profits and the shifting of the tax burden from the rich to the poor are all reasons why the benefits seem insignificant – not the rate of immigration.

Population and public services

The report claims “immigration has some adverse impact on training opportunities and apprenticeships offered to British workers”. But British capitalism has notoriously neglected training. As building union Ucat pointed out, “in 2006 there were 50,000 applications for construction apprenticeships but only 9,000 places available”. And this figure is relatively high, because construction cannot, by its nature, be outsourced to cheap labour countries. If the employers want cheap labour they have to import it. Manufacturing apprentices have virtually disappeared because it is more profitable to move the factory than train new workers.

The so-called evidence given for the emotive case that “immigrants are taking our jobs” in fact proves the contrary. At Terminal 5, the largest construction project in Europe, only 2.8 per cent of the workforce were from ethnic minorities – hardly an endorsement of white workers losing out, even if you ignore the fact that the most famous source of (skilled) building workers, Poland and other East European states, are white.

The report goes on to suggest that increased immigration explains why schools, the NHS and local services are failing in deprived areas. They even blame immigration for the housing shortage. But the argumentation does not stand up.

Nearly 800,000 pupils do not speak English as their first language, although they study hard and learn fast, and the

“extra investment for immigrant pupils can raise the quality of education for all children”. Certainly school students tend to support asylum seekers and migrants whenever they are threatened with deportation – as the recently victorious Suku-la family campaign shows.

The report admits there is no evidence whatsoever that immigrants are clogging up hospitals or doctors' surgeries, noting that “immigrants have tended to be young and therefore relatively healthy”. It tentatively suggests that the influx of qualified doctors could deter Britons from entering the profession – though the long hours and relatively low pay may have a bearing – but passes over the fact that, without foreign-trained doctors and nurses, the NHS would have collapsed decades ago.

But it is on the housing issue that the report dissembles most. If immigration continues at the current rate for 20 years house prices could rise by 10%, it claims. But a different picture emerges when you read the report. Migrants have had no impact on house prices, and even with zero net immigration, house prices will rise from 6.5 times average annual income to 9.3 – i.e., well out of most people's range.

Immigrants are overwhelmingly stuck in private rental units, but even here they have “paradoxically” had no impact on prices. Why? Because of the “quality of the housing taken up by new immigrants and the number of people living in each property”. In other words, many migrants live in overcrowded slums, and pay a fortune for the privilege.

Contrary to tabloid propaganda, immigrants are not immediately entitled to council housing and have not increased demand. Nor are they responsible for the deliberate lack of money spent on the existing stock of council properties, as local authorities try to force their offloading to housing associations or private landlords. Indeed, it is criminal that the government will only build 2,500 council homes this year – a fact the Tory Lords, who pioneered the sale of social housing, do not think worth mentioning. But in any case the real housing crisis has everything to do with a quarter century of Thatcherite policies, continued by Blair and Brown, and nothing to do with immigration.

So why are the Tories, the Lords, the print and electronic media and government ministers, suddenly launching a “debate” on immigration? The answer is simple enough. A recession is coming – and it looks as if it will not be a mild one. So they need pretexts to send back labour that is now surplus to requirement and at the same time ratchet up the racist antagonisms that will split and weaken working class resistance to bearing the costs of a slump.

The new, five-tier points-based immi-

gration system that Labour is introducing tries to meet the bosses' changing needs. It has no problem with migrants who earn more than £40,000 a year, or those with £1 million to invest (tier 1). It allows skilled workers, with specific jobs to go to, the right to apply for a visa. But Byrne has already declared that no unskilled migrants will be allowed into the country this year. That's why checks on National Insurance numbers in workplaces have increased recently.

Trumping the race card

But trying to play the racists at their own game is playing right into their hands. The race card can only be trumped by the class struggle – a fight for all workers real interests, native and immigrant, white and black.

What is needed is a massive campaign of education, with meetings and leaflets in every workplace and on every estate, to explode the racist myths and explain the real causes of unemployment, poor services and low pay.

The unions have started to recruit migrant workers – they now need to be organised into a fighting force that can battle against low pay, bullying and long hours. A conference drew 150 trade unionists and migrant workers together in London last month to launch the Campaign Against Immigration Controls. Let's build on this and recent successes for SOAS university, City of London and London underground cleaners.

The stepped racist campaign is not only a reminder of just how nasty the Conservative Party really is, but also that the tailing of the Liberals and Labour shows they are fundamentally no better. But this demands a political response, not just a trade union one. Sooner rather than later it demands a new working class party. The road to this is to fight for working class solutions to the real social problems of a capitalism going into recession.

- For a minimum wage of £9 an hour for all and a maximum 35-hour working week
- Fund schools, the NHS and public services to meet people's needs through a massive tax on corporate profits and the rich
- For a massive programme of public works, including council housing, built under workers' control, to provide jobs and training on trade union rates of pay
- Open the borders – full citizenship rights for all who want to work here, organise immigrant workers and raise their wages
- Journalists should pull the plugs on the outright racist lies of the media, demanding an equal right of reply for those under attack
- Troops out of Iraq, Afghanistan – drop the “third world” debt – solidarity with the struggles of poor countries against imperialism

YOUTH

What is it like to be young?

While press and politicians blame 'out of control kids', *Nat Sedley* looks at the causes of crime

A recent front cover of *Time* magazine claimed "An epidemic of violence, crime and drunkenness has made Britain scared of its young". Inside it claimed a fifth of British people avoided going out at night for fear of encountering terrifying gangs of young people. Indeed, Gordon Brown warned at his first press conference of 2008 that "kids are out of control".

But his Labour government has consistently clamped down hard on youth. In 2004, the Anti-Social Behaviour Act introduced a whole range of punishments, most famously the Antisocial Behaviour Order, or Asbo to ban any behaviour deemed "antisocial" – from hanging out in a certain area to playing football. Once an Asbo is in force, any breach is a criminal offence punishable by five years in prison.

Asbos introduced hearsay evidence into British criminal law for the first time.

Local police also have powers to impose "dispersal zones". Any group of two or more young people can be excluded from an area. It is a criminal offence to refuse.

New ways to clamp down on youth are constantly being thought up – from bans on hoodies in shopping centres to high pitched sound devices to repel young people from public places and Gordon Brown's recent proposal to reclassify cannabis as a Class B drug.

Criminalising young people

In 1997, Labour reduced the age of criminal responsibility (at which a child can be found guilty of a crime) from 14 to just 10 years, the lowest in Europe. This is eight years before a child is considered "mature" enough to vote.

Some 10,000 juveniles pass through secure children's homes and training centres, and Young Offenders' Institutes every year; and at any one time around 3,000 are imprisoned. So calls to "get tough on youth" are not only misguided but misleading. The government has already got tough on youth.

In the meantime Labour has completely failed to tackle the causes of whatever violent crime or antisocial behaviour is actually perpetrated by youth – poverty, discrimination, alienation and boredom.



This issue of *Time* magazine was picked up by the national media and Church of England as evidence of an epidemic of violence among Britain's youth

A United Nations Unicef study last year returned the damning verdict that Britain came last out of 21 industrialised countries for the well-being of its young people – despite being the fifth richest. One factor the UK shared with other countries near the bottom was a high level of child poverty, above 15 per cent.

Unsurprisingly, the report noted that: "Children who grow up in poverty... are more likely to be in poor health, to have learning and behavioural difficulties, to under-

sure of youth clubs and sports facilities under the Tories, which New Labour has failed to reverse, these young people have little choice but to hang out in the street, in parks or in shopping centres.

Education

Britain also came at the bottom of the pile for education. In a society where children as young as seven take public exams, it is not surprising that school is a stressful and competitive experience. Many children are written off as failures from an early age.

The introduction of fees has made the prospect of going to university less appealing for working class youth. Many leave school at 16 or 18 to take up semi- or unskilled work. The jobs available are often temporary and low paid; the minimum wage for 16 and 17 year olds is a pitiful £3.40 an hour.

The economic slowdown will see a massive rise in youth unemployment and a worsening of expectations and opportunities – unless the government takes genuine steps towards creating jobs through a programme of public works, paid for by taxing the rich, and funding real training schemes.

Left to itself, however, Labour, will push young people off benefits and into the lowest paid, most precarious work.

Youth can fight back

The oppression of young people is fundamental to capitalism. It allows inequality to be ingrained and the next generation of workers to be disciplined – at school, at home and at work young people are expected to do as they are told or face the consequences.

But young people can also be militant in fighting this oppression. In Leeds, plans for a dispersal zone around a shopping centre were dropped after the socialist youth group Revolution led a successful campaign against it.

Youth need to organise wherever their rights are threatened. The justified anger and frustration of the young need to be directed at the real enemy – the bosses and their state – not at other young people, or at older working class people, who have a common interest in fighting capitalism and the misery it causes.

achieve at school, to become pregnant at too early an age, to have lower skills and aspirations, to be low paid, unemployed and welfare-dependent." Young people who struggle at school and who see their long-term prospects as, at best, low skilled work, are likely to feel alienated and turn to criminal activity, such as drug-dealing, to make money. For some it is not even a choice; as the article in *Time* acknowledges, some children are arrested for stealing basic household items for their families.

Poverty means cramped living conditions, which makes it difficult to invite friends over; yet poor and working class youth are priced out of cinemas, football matches and concerts. It is cheaper to buy large quantities of cider than it is to play on a tennis court in London.

Coupled with the large-scale clo-

Recruiters of death, keep out of our schools

By Natalie Sedley

Gordon Brown has welcomed proposals to expand the cadet corps into comprehensive schools in an attempt to improve the image of the army among students.

Don't get us wrong – as communists, we support all working class people, especially youth, receiving weapons training in order to defend their movement from violent attack. But this initiative has the opposite aim – to herd young people from poorer backgrounds into the army to fight bloody, reactionary wars in the Middle East and beyond. That's why we want the army out of our schools and colleges.

The National Union of Teachers is campaigning against military recruitment in schools because it employs “misleading propaganda”. The Ministry of Defence claims it only wants to raise awareness, not recruit. But it uses sophisticated methods, such as supplying teaching materials without making it clear they are from the MoD.

Moreover, army visits give a misleading picture, far removed from the reality of life in Afghanistan or Iraq. As one teacher from east London noted, if the recruiters were honest they would have to tell pupils:

“Join the Army and we will send you to carry out the imperialist occupation of other people's countries... we will send you to bomb, shoot and possibly torture fellow human beings in other countries... and if you survive and come home, possibly injured or mentally damaged, you and your family will be shabbily treated.”

One ex-soldier condemned this as patronising: “16 year old kids are not kids – they know their mind.” If only 16 year olds were always given so much credit – if they're not kids, why are they not entitled to vote, or get the adult minimum wage or have gay sex? This kind of comment misses the point. Many rank and file soldiers are effectively conscripted by poverty and lack of opportunity, so propaganda presenting the Army as a great career seems attractive.

The *Times* suggested teachers have a “responsibility to redress the bal-

ance – to explain that the Army is there for society's protection, rather than as the unacceptable face of armed aggression”. So in the face of young people's increasing reluctance to be sent off to fight and die in imperialist wars that benefit no one but the ruling class and the oil companies, teachers should feed them the lie that these wars are for our own protection? The NUT was right to reject such a reactionary lie.

The NUT's decision followed a few weeks after students at University College London voted to ban the Officer Training Corps and all other military organisations from student union events, premises and media. The vote by 325 students, at the best-attended Annual General Meeting for three years, was a powerful statement against the imperialist “War on Terror,” which the majority of British people have opposed from the start.

Army recruiters exploit the financial difficulty working class students

have supporting themselves through university. They offer bursaries of up to £8,000 – but, in return, students are committed to serving for at least three years after graduation.

The *Evening Standard*, however, immediately claimed this was part of a general attack on rank and file soldiers, insidiously linking the move to recent verbal abuse aimed at sol-

diers in Cambridgeshire. *The Sun* condemned the “student snub against our boys,” sending the right wing student bureaucracy into panic.

They banned the motion at a meeting where only three people were able to vote! But an uproar among students meant that the last meeting of term was able to uphold the original decision.

The government is promoting the army in preparation for more wars and a recession that could see young workers denied a future. Brown and co. want the depleted armed forces to soak up unemployment and instil discipline on youth.

How cynical! It is the government, not us that sends troops off to fight and die, that gags them, and ignores them when they are killed or wounded. We support soldiers' rights to organise separately from their officers, to refuse to carry out illegal and immoral orders, and to give uncensored reports from the front line of conflict. And their first right is not to be recruited on a pack of lies!

When recruiters come to freshers' fairs or schools, we should leaflet and petition to expose the real role of the British army and the realities of life for rank and file troops. We should make links with the NUT and try to stop them spreading pro-war propaganda. Recruiters of death have no place in our schools, colleges or universities!

For a fighting students' union

By Simon Hardy, University of Westminster NUS

Over 1000 students gathered in Blackpool for the NUS annual conference of 2008. This year marked an important battle for the future of the NUS. The leadership around Labour students and their hangers on (as well as several Tories disguised as “independents”) wanted delegates to rubberstamp the Governance Review, an audit of how the NUS operates, with proposals to change the constitution.

This was a barely concealed attack on the democracy of the NUS, under

the guise of trying to save money and make the NUS “more relevant”. In fact, so blatantly bureaucratic were the proposals – reducing conference to a rally, and turning the national executive into a Board of Trustees with “business leaders” on it – that delegates refused to ratify it.

However, the conference itself was far from left wing. For example, it agreed to investigate turning the NUS into a charity (i.e. the Governance Review in a different form) and defeated a motion on campaigning against military recruiters in universities.

The truth is that the NUS cannot

be simply “won” by the left, because it is not an independent union in the real sense. It would have to be split. Workers Power is in favour of a fighting student union, not a semi-compulsory one, funded (albeit indirectly) by state money.

That's why we will continue to campaign on the key issues facing students – for troops out of the Middle East, for grants not fees, against Islamophobia and against climate change – alongside the socialist youth group, Revolution.

We call on all radical students fed up with the NUS bureaucracy to join us!



UNIONS

Teachers: all out on 24th

Teachers throughout England and Wales will strike on 24 April against Labour's pay freeze. *Bernie McAdam*, Sandwell NUT, looks forward to the first national schools strike in 21 years

The 75.2% to 24.8% vote for action is a reflection of real anger amongst teachers over pay. The anger is also fuelled by increasing workload and unacceptable class sizes, more monitoring and inspections, as well as the intensifying attack on comprehensive education. Indeed NUT conference at Easter called for another ballot that would see more strikes on pay, linked to a campaign on workload and class sizes.

The government has offered us a 2.45 per cent pay "rise" this year, followed by 2.3 per cent for the following two years. This is below the Retail Price Index of 4% inflation. Even this figure is well below the real rate as food prices, energy bills, council tax and water rates rocket, and increased mortgages and childcare costs hit our pockets.

Teachers have already had three

years of such real pay cuts. It would be mad to accept another three year deal as recession clouds loom. The government will point to lower public sector deals, as with the police, but this should fool no one. Brown is attacking all public sector workers, their pay, conditions and the provision of services. He will use every trick to divide workers from one another.

Our response must be a united day of action. Alongside 200,000 teachers, April 24 will probably see 40,000 college lecturers and up to 100,000 civil servants also on strike. Others, like Birmingham council workers (see below) could join in.

All workers should bring forward their claims and make it a day protest at Labour's policies. Pickets will need to close down every school and mass rallies in every town and city should be organised.

But the strike must be only the start of a campaign of action to win our claim of 10 per cent or £3000, whichever is more. Union leaders, the government and every teacher knows that a one-day strike is not enough. You don't have to be a cynic to see that's why the national executive restricted the ballot to one day of action. We need to force our leaders to issue a new ballot directly after the 24th – this time for action, swiftly escalating up to an all-out indefinite strike.

Rank and file control

Of course, militants need to prepare the ground, by arguing with their colleagues that only a real strike will be able to budge the government, that this is the surest and quickest way to win, and that, by linking it to demands for a reduction in class sizes and more resources for schools, we can win

solidarity action from parents, pupils and other unions – like local authority staff, who have also just been offered a 2.45 per cent real pay cut.

To win the union to this strategy militant rank and file members will have to organise separately from, and in struggle with their leadership. Even with Christine Blower acting as general secretary, after the untimely death of Steve Sinnott, the bureaucratic machinery that runs the NUT is dead set against any course of action that will damage Labour.

But teachers can elect strike committees in every school and they can run this dispute without full-timers calling all the shots. Rank and file control can ensure this campaign is not run into the sand, or jettisoned in favour of "talks" for a slightly "improved" but nevertheless real pay cut.

Birmingham council: resume the strikes

By *Bernie McAdam*

Birmingham City Council unions are locked in dispute over plans to will cost 5,000 workers thousands of pounds. The "single status" review was meant to level up wages for women and manual workers. Instead it has battered them them.

After a successful strike in February, a second strike was suspended in favour of talks. The Council "found" an extra £9 million. It offered extended protection for some, and slightly better terms for others. But wage cuts are still on the cards. And performance related pay is still being proposed.

At a series of mass meetings council workers overwhelmingly rejected this new package. Strike action will now be resumed, although no days as yet have been named. Workers are still angry.

Meanwhile Tory councillor Alan Rudge has gone on the offensive, demanding the unions hold another ballot since any further action would be "unlawful", and resort-

ed to crude propaganda about "far left infiltration". All the unions should resist these scares and name the days for further strikes.

Last month Workers Power warned that suspending strike action for talks was not a sign of the Council giving in. A GMB steward made a similar warning telling Workers Power, "We are in danger of losing the momentum in this struggle. We have got to relaunch the strikes and 24 April is on everybody's lips."

There are clear signs that some of the most far-sighted militants are becoming convinced that the unions should launch an all-out indefinite strike before the mood turns from anger to resignation.

Unions must not dither and stall by being pressured to organise ballots. Workers have already voted for strike action in a ballot and again at democratically organised mass meetings. There must be no pay cuts. This is not up for negotiation. Organise to come out on April 24. Make that day a launching pad for an all out, indefinite strike.

Support Express strikers

By *Joy MacKnight*, NUJ delegate

The National Union of Journalists annual delegate meeting opened in Belfast on the first day of three 24-hour rolling strikes at the Express Newspapers in Preston and London. Management is trying to force through a pay "rise" of just 3 per cent - effectively a pay cut, since inflation is above 4 per cent. NUJ members will strike again next Friday unless the company concedes. It was the first full day strike by journalists on a major national newspaper in 18 years.

Unfortunately this fighting spirit was not effectively carried onto the conference floor and shows the unevenness within the union. For example, the union agreed to 2500 redundancies at the BBC, limiting the struggle only to "forced" redundancies. These staff cuts are going to seriously affect the quality of the news produced by the BBC, and heap extra work on those that are left.

Nevertheless, many media workers are willing to go into dispute to "stand up for journalism" (NUJ's campaign) to prevent what Nick

Davies in his book *Flat Earth News* calls "churnalism" – a regurgitation of press releases or government line-giving.

The conference passed many progressive motions, such as supporting sacked NHS activist and Unison member Karen Reissmann, and reminding members to adhere to the union's code of conduct when reporting on gypsies, travellers and refugees, not falling back on racist clichés.

But it took a step backwards when it rescinded a decision of ADM 2007 to campaign for a labour movement boycott of Israeli goods and services, citing the TUC's refusal to support such a boycott. This cowardice in standing up against the brutal occupation was exposed by the Irish Congress of Trade Unions, which has called for a boycott and disinvestment in protest against Israel's subjugation of Palestinians in Gaza, West Bank and Israel.

Hopefully, the militancy of the Express chapel will spread and the NUJ turn leftwards as more members come into struggle against bosses, who are using the economic downturn to shed titles and jobs.

SCIENCE

Human embryology: science versus religion

A bill to regulate human embryology research has sparked a hostile campaign by the religious right against scientists “playing god”. *Rebecca Anderson* argues that their broader agenda is to defend the oppression of women and youth in the family, regardless of real suffering

The Human Fertilisation and Embryology Bill has been the subject of huge controversy and a battleground in the struggle of science against religion. Cardinal Keith O'Brien, leader of Scotland's Catholic Church, described it in his Easter sermon as a “monstrous attack on human rights, human dignity and human life”. He said it would allow experiments of “Frankenstein proportion”.

O'Brien is referring to the part of the bill providing for the creation of “admixed embryos” by injecting the nucleus of a human cell into an empty animal cell. This is needed because of the shortage of human egg cells available for scientific research on embryology.

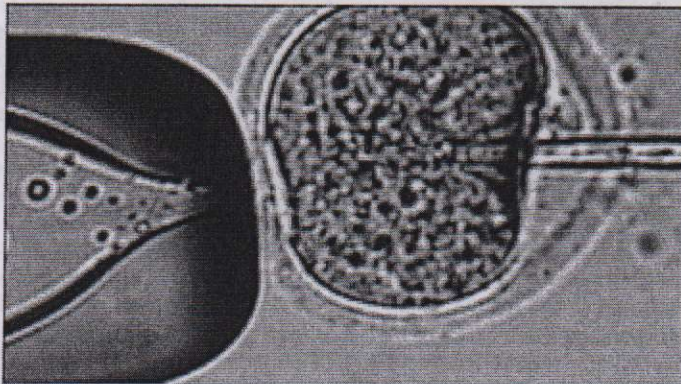
The greatest potential breakthrough from this research is to learn how to use stem cells from these embryos to cure diseases like type 1 diabetes, Parkinson's and Alzheimer's, by creating any type of tissue for the body, organs, skin or nerves.

The bill also covers parenthood, providing for two women to sign a birth certificate; currently the woman in a same-sex couple who did not give birth must go through an adoption process. It also gives lesbians and single women the same rights of access to donated sperm for IVF fertility treatment as heterosexual couples. This part of the bill would be a step forward in both women's and gay rights and, as such, is bitterly opposed by the religious right.

Another effect of the bill is to legalise the use of adult stem cells. Research could be carried out to allow infertile people to have children by using cells from other parts of their bodies to create sex cells. The argument against this is similar to that against the admixed embryos – that it means humans are “playing god”. There are also concerns that the research could

allow women to have children without needing men, through implanting the nucleus of a woman's egg into an emptied sperm cell.

One of the most controversial aspects of the bill is to allow parents to conceive “saviour siblings” who would be chosen from embryos with genetic properties that would benefit an ill sibling, e.g. through having a rare type of bone marrow.



Stem cells like this one could provide scientists with the material to find a cure for Parkinson's and Alzheimer's, and grow tissue for sick people, but religious bigots claim only God has these rights

Although abortion isn't actually mentioned in the bill, it is expected that it will be used as a vehicle to amend the current laws. The right are expected to put forward an amendment to cut the time in which women have access to abortion from 24 weeks to 20, and some MPs who support improving women's rights may propose an amendment to reduce the number of doctors needed to approve an abortion from two to one.

Conscience

Originally, Gordon Brown said that his party would have to vote in favour of this bill, but various religious lobbies, along with Christians, particularly Catholics, in Parliament, opposed this. Brown gave

into this pressure, particularly the threat that 12 of his ministers, including three cabinet members, would defy the whip and vote against the bill. He has said that MPs can have a “vote of conscience” on three of the most controversial areas of the bill – admixed embryos, saviour siblings and IVF.

Given the real benefits to humanity that these bold scientific strides

the family structure in class society is to raise children, forcing women to work for free, bringing up the next generation of workers. Any steps in fertilisation and embryology that challenge this – potentially creating embryos that technically have three parents or one, and giving the state and scientists a greater role in the creation of human life – might take this function of human society outside of the family. This horrifies the religious right.

Reaction vs progress

Opposition to scientific progress on these grounds exposes the reactionary role of religion in politics. The fact that the churches would rather allow potentially curable but debilitating diseases, like Parkinson's, to continue unchecked, in order to preserve the role of the family, is an indictment of their lack of real regard for human life and suffering. Almost the whole of the scientific community is behind the bill, along with hundreds of charities. Brown's concession to the Catholic members of his party was a concession to blind faith against logic and reason.

One concern that may hold people back from supporting this bill is that this technology has the potential to do harm as well as good, if it is used for unsafe experiments, or that, like many other treatments, its results could be patented and made unavailable to all but the rich.

The answer to these problems is not to oppose the bill, but to nationalise and amalgamate all the scientific research institutes under working class control. The implementation and results of the new technology must be brought under the democratic control of the users it will help, and the scientists and medical workers who understand its enormous potential benefits.

could bring, why are they being opposed, and why is it consistently the religious right who oppose them?

Opposition to abortion stems from the Catholic view of conception as the point where a human being is created, so that the rights of embryos need protection as if they were living, breathing people. But the key reason that religious groups oppose these proposals is their potential to undermine the nuclear family. For example, the Christian charity CARE, a major opponent of the bill, previously campaigned against the repeal of Section 28, which used to prevent teachers from discussing homosexuality with their pupils.

One of the fundamental uses of

LONDON MAYOR

Vote Ken for London Mayor

Richard Brenner outlines the case for keeping Boris Johnson out and organising to fight Labour

As we go to press the next London Mayoral election campaign is moving into top gear. The latest polls show the two main candidates neck and neck.

On one side stands Old Etonian Boris Johnson. He presents himself as a cheerful, harmless fogey, but he's a deeply reactionary right wing Tory.

There's one word for any mainstream politician who calls black people "piccanninies" and refers to people from Papua as "cannibals" – and that word is "racist".

Johnson and his candidates for the Greater London Authority have attacked current Mayor Ken Livingstone for funding projects that support minorities. The Tories fiercely oppose Livingstone's proposal to make property developers and councils build more affordable homes. (One of Livingstone's main pledges is for 50 per cent of new homes built to be affordable to buy or rent.)

They are also appealing to the "Jeremy Clarkson vote" – middle class car drivers, who don't care a toss about the environment – opposing calls for London's congestion charge to rise for drivers of expensive 4x4s and gas guzzling sports cars.

On race, housing and the environment, Boris is bad news for working class Londoners.

On the other side stands Labour's Ken Livingstone. Backed by most of the London labour movement, including the main unions, and with overwhelming support from black, Asian and Muslim organisations, Livingstone has refused to join in the witch-hunting of the Muslim community during the so-called war on terror, opposing Blair and Brown's war and the occupation of Iraq. He is promising more cheap homes, and has committed his mayoralty to reducing carbon emissions in London, crucial if global warming is to be limited.

Workers Power has many criticisms of Ken Livingstone. But on 1 May we call on every working class person with a vote, anyone who opposes the war and the racist backlash, anyone who wants to see greater equality and action on climate change to vote for Livingstone for mayor. We do so not because he



will fulfil all these promises, if we just vote him back, but because we want his electorate, the working class and the racially oppressed, to organise to hold him to his promises and force him to go further, much further than them.

At the same time we want nobody to forget how compromised Livingstone is. He opposes the war and the backlash against multiculturalism, but has failed to denounce Gordon Brown for backing both.

He says he's against the scapegoating of minorities, but stood by Metropolitan Police Commissioner Ian Blair over the appalling shooting of Jean Charles de Menezes and subsequent cover up.

He says he backs public transport, which would be more affordable for workers and better for the environment – but lets fares rocket. He opposes tube workers when they strike over pay, safety and conditions, and even called on strike-breakers to cross their picket lines. He opposes privatisation – but has sold off the East London Line.

He says he wants more affordable housing – but does not fight for publicly built homes on guaranteed low rents for all of what his own website admits are "150,000 families living in overcrowded conditions, and 60,000 families living in temporary accommodation". His 50 per cent afford-

ability promise depends on what profit-hungry private developers are prepared to build.

In returning Livingstone as mayor and keeping the right winger on out 1 May, working class Londoners should organise to fight:

- To expose racism, attacks on civil liberties and cover-ups in the Metropolitan Police
- To tax the rich to massively expand public transport and slash fares
- Against privatisation and in support of transport unions' fight for pay and safety
- For massive restrictions on carbon emissions and taxing the rich polluters
- To build new homes on fixed low rents for everyone in overcrowded or substandard accommodation.

This programme would pitch the Mayor against the City of London, the CBI bosses' union and Gordon Brown's Labour government. In fact it could only be won through mass direct action on the streets and in the workplaces – in the face of police and state resistance.

This Livingstone has consistently failed to call for – either as Mayor or when he was "Red Ken" in the 1980s – because he is a reformist. By helping vote him back into office and organising to fight for working class needs, we aim to convince his supporters that we need a new – revolutionary – workers' party.

Who needs the Left List?

Workers Power has argued that the trade unions, workers who oppose the war, the dwindling left of the Labour Party and the socialist groups, should unite in a new party to challenge Labour – not just at the polls, but in the workplaces and the streets.

The Left List is not that alternative. It is the remnant of the Respect initiative – a failed attempt to create a cross-class party based on antiwar activists, the Socialist Workers Party, and a layer of Muslim businesspeople who had broken from Labour.

After a split with George Galloway last year, only the SWP and a hand-

ful of individuals are left, making the Left List little more than an electoral front for the SWP. It has no mass support, and precious little backing in the labour movement.

Our reason in calling for a vote for Ken Livingstone and Labour in the London elections is to encourage the hundreds of thousands of working class people in London, who believe Livingstone will represent them best, to demand he really acts in their interests. In this way we aim to mobilise people to struggle for their own demands. This we believe will show them in practice that Livingstone is inconsistent at best, and at worst that he and his party are an obsta-

cle that need to be replaced by a fighting working class party, won to a revolutionary platform.

Calling for a vote for a small grouping that lacks mass support can have no effect on these mass illusions in a reformist candidate. It can only mean endorsing the programme on which that minor candidate is standing. We could call for a vote for a small grouping that lacked mass support only if it advanced a revolutionary programme for fundamental social change.

The Left List's policies are totally reformist and not far different from Livingstone's. There is no point wasting a vote on them.

CREDIT CRUNCH

The banking crisis of 2008

The Credit Crunch of 2007 is now the Bank Crisis of 2008. The threat to the banks' 'liquidity' – their cash flow – has become a threat to their 'solvency': their very ability to pay their debts. *Richard Brenner* looks at the root causes – and repercussions for capital and labour

In New York the dizzying fall in value of shares at Bear Stearns bank, after its exposure to subprime mortgage-backed loans put a question mark over its solvency, brought the fifth biggest US investment bank to the very brink of collapse: until it was bought at a stunningly low price by rival JP Morgan Chase.

Traders in shares and money on the stock exchanges of London, Paris, Frankfurt, New York, Tokyo and Mumbai panicked. Had Bear Stearns not issued statement after statement assuring the world that it was solvent? Were any banks safe? Share prices of banks and finance houses took another hair-raising dive on Monday 17 March as billions more were wiped off their value.

But then stock markets surged upwards again with exhilarating speed. The New York stock exchange racked up its biggest rise in five years on Tuesday 18 March, as traders fed like piranhas on low valued shares, emboldened by the decision of Ben Bernanke of the US Federal Reserve to slash US interest rates yet again, this time by 0.75 per cent. Since the credit crunch began last summer, Bernanke has now cut the US central bank's Federal Funds rate faster than ever before.

The joyous recovery was again rudely interrupted. British banking shares took a sickening tumble on the morning of Wednesday 19 March, spurred by rumours of insolvency at leading UK mortgage lender HBOS (Halifax/Bank of Scotland). HBOS shares fell 18 per cent in less than an hour as investors bailed out.

Aware that HBOS's collapse would make the Northern Rock fiasco look like a mild hiccup, and determined to prevent the spread of bank collapses around the world, the City of London's well-greased PR machine went into overdrive. In unusually strong words first HBOS, then the Bank of England, then the toothless wrist-slappers of the Financial Services Authority, denounced all talk of insolvency, blamed rogue traders for deliberately talking down HBOS's share price, slammed "ill-founded and malicious rumours about the UK banking system" and "lies" which have "not a shred of substance whatsoever", went on to promise an investigation of this "market abuse", and then prayed for the markets to calm down. They did – for the time being.

Next morning a coalition of all the major UK banks went creeping to the Governor of the Bank of England for an assurance that "the central bank will provide help if it is needed." Help for what, exactly? Hunting down "malicious rumour mongers"? No: they asked for more money, to keep them liquid and yes, keep them solvent in the deepening credit crisis. No doubt



Banking crisis brought Bear Stearns, the fifth biggest US investment bank to the very brink of collapse – until it was bought out at a stunningly low price by JP Morgan Chase

they will have arranged ways for this money to be delivered quietly, without causing panics, perhaps accompanied with coordinated announcements that nothing is happening, no-one is in trouble, and move along please, there's nothing to see here...

What is one to make of a global banking system that can be brought to the very brink of collapse by "rumours" and swindlers? Surely millions must sense that the system's vulnerability to mere talk is a symptom of unsustainable fragility, that the vast expansion of credit over the course of the last decade has massively weakened the system, that there must be something wrong with the system itself if such vulnerabilities are built into its structure?

Already each of the major investment and retail banks has written off billions in the credit crunch. Estimates of total losses from the sub-prime mortgage crisis are rising fast, reaching eye-watering levels. In July 2007 Bernanke claimed losses could reach \$100 billion, and that seemed worrying enough to the banks at the time. Now that estimate sounds almost absurdly optimistic. Finance house Goldman Sachs now suggests \$500 billion might be nearer the mark. George Magnus, chief economist at Swiss bank UBS, comes in at \$600 billion. Professor

Nouriel Roubini of New York University's Stern School of Business estimates the total loss from the crisis could total a cool \$3 trillion. A fall in the US house prices of 20 per cent could bring total mortgage losses to \$1 trillion; a fall of 40 per cent would take them to \$2 trillion. Another \$700-1000 billion of losses in the financial sector would bring in a total loss of \$3 trillion, equivalent to around 20 per cent of Gross Domestic Product. This is not out of kilter with other estimates: UBS's Magnus observes that fully fledged bank solvency crises such as the one we are living through today typically cost between 10 and 20 per cent of GDP.

Suddenly therefore bosses and bankers everywhere are singing an unfamiliar tune. Normally they call for the market to be allowed to solve all problems and decry state ownership of property as inefficient, "socialist", even illegal under World Trade Organisation rules. But now they are crying out for state intervention and even "socialisation". While in times of boom and expansion they insist that the privatisation of profits is an economic necessity, a moral law, a law of the universe itself akin to the very laws of physics, in times of crisis and massive losses, they call for those losses to be ... "socialised", essentially to be shared "equal-

CREDIT CRUNCH

ly” by the people. They remind us that historically all banking crises end in state intervention. They discover that the market system is “imperfect”.

No wonder the Bank of England has followed the Federal Reserve and agreed to provide an open-ended bailout to prevent banks from collapsing. How much will this cost? How many percentage points of public sector pay is it equivalent to? How many hospitals and schools that the government “cannot afford” to build? Suddenly, who cares? The excruciating penny-pinching with which the public finances are scrutinised on all expenditure related to public services is abandoned when it comes to two things which must never be put on rations – “our” armies of occupation abroad, and “our” beloved banks.

A handful of neoliberal fanatics may continue to squeal about “socialism”, but with this kind of socialism the bankers and bosses have no problem at all. The Bank of England’s initial concerns about creating “moral hazard” by encouraging lax lending are now obsolete: once the crisis hits, moral hazard is no longer the issue. A car crash victim needs an ambulance, not a seatbelt.

So the impertinent demand for socialisation of banking losses is raised in the boardrooms, rationalised by the economists and reported by the supine “business journalists” with the same fierce commitment to independence and the bright light of truth as they displayed in the Prince Harry affair. It can only be a true banking crisis when John Moulton, head of the UK’s leading private equity house, tells Radio Four that the banks should be nationalised.

Save our banks – socialise the losses. Yet by agreeing to socialise these losses, the capitalists do several things. First, they reveal their hypocrisy to millions. Second, they centralise responsibility in the hands of the state, politicising the crisis and providing the justified anger of millions with a clear and identifiable target. Third, they show how in its moments of breakdown capitalism points the way to the future: a society in which we will socialise not losses flowing from an unsustainable system of gambling and swindling, but the fruits of social labour and the production and distribution of homes, food, fuel and welfare for all, according to a rational and sustainable plan decided upon democratically by the people themselves.

Background

Occasionally one of the hired hacks of the “business community” looks up from his laptop, sighs and asks: “how did it come to this?” The answer is usually that people “got too greedy”, and that too much money was lent to people who could not pay it back. This is akin to declaring that the underlying

cause of war is that soldiers start firing guns at one another. For any serious working class militant determined to understand the crisis so as to make sure the bosses don’t make us all pay for it, a more serious analysis is necessary.

To grasp why what appeared to be a powerful economic boom in Britain and America in the middle of this decade has come to such a sticky end, we need to look at some of the features of the boom of 2003-2006.

Far from being a sign that, as Bush puts it ad nauseam, the “fundamentals are sound and our economy is strong”, the recent US boom was shaped by profound disequilibria in the world economy – global imbalances which far from softening the crisis are now aggravating crisis trends in capitalism worldwide.

Even in the height of the expansionary boom years of 2004-05, manufacturing actually declined in the USA. Since 2000, millions of manufacturing jobs disappeared; the sharp rise in US GDP in 2004 and 2005 was highly dependent on credit, even unusually so.

The contribution of real estate speculation, construction, finance and insurance currently constitutes 40 per cent of US GDP growth. UBS has calculated that debt outstanding on the US credit market stood at \$47.5 trillion in 2005, of which nearly £25 trillion was attributable to private debt by non-financial companies and individuals. The credit intensity of GDP growth in the USA rose from 10 per cent in 1957 to 30 per cent in 1992, and stands today at around 48 per cent.

Even this meteoric rise in credit is dwarfed by the proportion of credit in the UK’s economic growth Chancellor of the Exchequer Alistair Darling may insist that the UK is uniquely well-placed to weather the global economic storm, yet the credit intensity of UK GDP growth has, according to the Bank of England, reached in excess of 80 per cent. Thus the British economy has avoided a sharp recession for 15 years, and got off relatively lightly with a shallow recession in 2000-2001. But, as the song goes, the harder they come, the harder they fall. The UK is extraordinarily dependent on credit; it is therefore especially vulnerable to a downturn in the banking market, and in house prices.

Will the credit crunch affect the “real economy”? This question is no longer one for speculation – it has been resolved. It has.

In the USA profits fell sharply in the last quarter of 2007 and GDP growth plummeted to 0.6 per cent this year. Between the second quarter of 2007 and the second quarter of 2008, the proportion of banks introducing stricter conditions and terms for commercial loans to large and medium size companies in the USA rose from zero to 40 per cent.

The figure for loans to small businesses was the same. And for household debt, over 65 per cent of banks and lenders had tightened standards for home loans by the end of 2007 (not just for sub-prime but for ordinary types of borrowing), with more than 30 per cent having tightened conditions for other types of consumer loans like car and credit card debt.

The persistent cuts in interest rates by the Federal Reserve have not succeeded in eliminating this process of toughening credit. The difference between inter-bank lending rates and official central bank interest rates is rising; the spread has also risen between official interest rates and the cost of commercial and consumer loans. (Source: Bank of England and UBS).

This credit crunch has extended to Europe. Despite the fact that Germany – Europe’s industrial powerhouse – has for the last two or three years been slowly emerging from a long period of economic stagnation and low growth, the global crisis now threatens to push the German recovery off course. A survey by the European Central Bank in January 2008 reveals that over 40 per cent of European firms face tighter standards for credit.

Cuts in interest rates are the chosen policy instrument of the Federal Reserve and the Bank of England for increasing liquidity – they hope to stimulate cash flow, lending and spending by making the cost of money still cheaper. But the effect of these interest rate cuts in the USA is to push the value of the US dollar down ever further. This is seriously destabilising the world economy and aggravating international tensions.

The dollar’s dizzying decline has four very important effects:

Inflation and poverty in the USA

One is to crank up inflation in the USA still further, making imports of food and fuel even more expensive. This can only worsen the housing crisis, leaving ever more working class and lower middle class Americans unable to pay their monthly mortgage payments. The number of homes facing foreclosure (when the lender claims a house for non-payment) rose 57 per cent in January 2008 compared with January 2007. And US property analyst RealtyTrac says there was a 90 per cent increase in the number of homes repossessed by banks. Higher inflation will make this even worse. Bush’s attempts to lessen this through new programmes for working out loans “aren’t having a significant material effect on keeping properties from going back to the banks”, RealtyTrac said.

Of course, as more repossessed empty homes come onto the market, this increases supply relative to demand, pushing prices down even more. With US house prices falling for the second successive quarter at the end of 2007, the

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13180		アルパック	三洋電	71パンテ	太陽電	IHI
13220	安 13070	4160	234	2770	1017	2
13155		6752/T	6767/T	6902/T	6861/O	7201/T
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1460.45	安 1456.51	シャープ	7ルクス	カシオ	松電	オプ
139.55	-0.1	1767	281	1455		5
101.98-02		4/T	6773/T		7003	134
158.90-65	-0.1	100	111			
8251-65			970	6810		
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2362.75						
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chief economist of a leading American mortgage lender, Freddy Mac, told the BBC that prices will fall and repossessions will rise for another two years, until the end of 2009.

Exporting recession

A second effect of the Federal Reserve's interest rate cuts is to export recession to other countries. The cheapening dollar is terrible news for US workers, but US capitalists who make money by exporting goods and services to other countries get a definite advantage because their products are cheaper than those of foreign competitors. This is terrible news for exporting countries like Germany, Japan and, yes, even China, the golden boy of capitalist globalisation. Not only does the contraction of the US consumer market reduce their sales, but they find it harder to compete with US exporters whose prices are artificially cheapened by the dollar's fall.

With the dollar recently trading at a new low of \$1.56 to the euro, Jean-Claude Trichet, president of the European Central Bank, denounced "excessive exchange rate moves" and raised the alarm about "excessive volatility and disorderly movements" of currencies, creating an environment "undesirable for economic growth".

It's not just the core economies of the EU that stand to be battered by the

dollar's fall. After several years of sputtering recovery from its long stagnation in the 1990s, with company revenues reaching record levels in the last tax year, nevertheless Japan's leading indicator of economic activity slumped to its lowest level for a decade in December 2007. The credit crunch, high oil prices and the plummeting dollar brought investment by Japanese companies down at their fastest rate of decline for five years in the last quarter of 2007: a fall in capital expenditure of 7.7 per cent.

And in China, there are indications that the US recession and the dollar's fall are hitting exports. China's trade surplus fell much further and faster than expected in February. Whereas in February 2007 the Chinese trade surplus was \$23.7 billion, this February it fell to \$8.6 billion. And in the year to February, Chinese factory gate prices rose 6.6 per cent, further adding to the inflationary impact of global trade with China.

But will a cheaper dollar help US exporting industries to recover, reversing the trend towards recession? This is what Bernanke is banking on. But with inflation cutting into people's incomes and companies less able to get credit and get sufficient return on investments, there is less lending going on. The chief economist of the Economist Intelligence Unit, Robin Bew, told viewers in his monthly video broadcast that US man-

ufacturing continues to contract despite the lower dollar, and that as a result he is cutting his growth forecast for the USA in 2008 to 0.8 per cent, insisting that the USA is currently in recession.

Weakening of the dollar as leading world currency

The third effect of the plunging dollar is to undermine its role as the main currency of the world. Even the popular press is full of stories about pop stars and supermodels refusing to be paid in dollars and demanding euro instead. This is just a petty reflection of a major economic and political trend. Last summer China, Japan and other nations in the Asia-Pacific began carefully and quietly to sell tranches of their vast holdings of dollars because they are losing value every second. The major world powers are so concerned about the USA allowing its currency to fall so far and so fast that the G7 group of leading industrial nations is facing calls for a meeting to hammer out a new policy to restrict the impact of the US| exporting its recession. Ultimately, this can only sharpen tensions and rivalries between the powers as they jostle among themselves as to who is forced to bear the brunt of the crisis and carry the cost. And if the USA allows this to go on for too long, it risks losing the advantages it draws from being the only country in the world that can simply print extra wads of the world's main currency – what is called its seignorage. Like the end of the Gold Standard in the pre-war years, and the collapse of the Bretton Woods agreement in the 1970s, the process of the decline of the currency of the leading world power is a clear sign that its global political domination is unsustainable, and heralds a radical re-ordering of the capitalist world order – a process that can only be long, painful and fraught with danger.

As we have shown in our previous articles on the emerging economic crisis, from as early as March 2007 when the first signs of the coming credit crunch could be seen, a powerful underlying shift in the world economy has taken place. The initial effect of the restoration of capitalism in the USSR and China was to create a global environment of historically low inflation, based of course on cheap labour in the east. The end of the bipolar world order of the Cold War brought a host of the former "non-aligned" semi-colonial countries stampeding back into the world market; the entry of China into the World Trade Organisation in 2002 massively boosted Western trade in cheap Chinese goods.

This world-historic disinflationary environment allowed central banks to cheapen the cost of money to an extraordinary degree. Normally very low interest rates aggravate inflation. Under these conditions, they did not. America and Britain

CREDIT CRUNCH

appeared to dance free of the recession of 2000-2001, inhaling a huge self-inflicted blast of credit. The rich got richer, the middle classes were sated with cheap home loans, the economists breathed a sigh of relief, governments claimed the credit, and journalists wrote hymns of praise to China and to capitalism. A new virtuous circle of harmonious development had begun. Demoralised leftists joined the chorus, declaring that no significant opportunities for growth of the revolutionary movement would emerge until the “long boom” came to an end – perhaps in 2015.

As we repeatedly warned, the virtuous circle would quickly become a vicious spiral. With US growth so catastrophically dependent on credit, especially that based on consumer and household debt, any serious cyclical downturn that undermined the value of American homes could unwind the whole rosy scenario. This began to happen in 2006 as mortgage defaults rose. Then in April 2007, the inevitable happened. It became clear that now Chinese export prices into the USA were rising. This of course – oh irony of ironies – was happening not despite but because of the strength and pace of the expansion of capitalism in China. The global disinflationary environment was over – a new period of structural inflation had arrived. Food, fuel, raw materials – all rose sharply. The central banks’ room for manoeuvre was severely limited. The system was sick with credit – but the system could prescribe only credit as the remedy. Credit lines unwound and froze. First the clever repackaging of mortgage debt (“collateralised debt obligations”), then the companies that insure major infrastructure projects, local authorities and PFI deals against default (“monoline insurers”), then insurance against defaults on companies’ loans (“credit default swaps”) all came under threat as banks and finance houses stopped lending to one another. All agreed the global financial system was in crisis.

Anyone would think the system’s expansion heads inevitably towards some form of breakdown. Which it does – a breakdown in the form of a crisis. But no crisis alone will abolish this system for good. While the crisis impels capital to look towards forms of social ownership (of losses) and state intervention (in defence of profiteering), it does not dissolve the power and the rule of the capitalists of its own accord. The billionaires’ very control of the state is the great obstacle that stands between humanity and a rational order of things.

While the power of capital remains intact, they will seek to offload the crisis onto others, to force others to bear the brunt of the devaluation of capital that every crisis involves. The USA will seek to force its rival imperialist powers



The pigeons come home to roost as Swiss bank UBS loses \$10bn from subprime mortgages

in the EU and the east to pay; every capitalist class in every country will close “uneconomic” factories and workplaces, hold down or cut pay, allow rising prices to impoverish workers, poor farmers and their families, and withdraw their capital from circulation, waiting until a recession cuts such a swathe through the economy that there are once again cheap bargains to be had, at which point the parasites will snap them up ready for a new cycle of expansion, exploitation, speculation and ... yet again crisis. Meanwhile international tensions will sharpen. In the new global environment there is no reason to imagine that future crises and recessions will be shallow and mild like that of 2000-2001 in the USA and UK. The EU, Russia, Japan and China will all be urgently reviewing arrangements to ensure that the US is not able to offload its crises onto them with impunity, again and again.

All this means that the working class everywhere will need to prepare to resist every attack on jobs, on wages, every price hike and every closure. We must warn against the mounting rivalries between the powers and oppose every manifestation of nationalism and militarism. Above all, the task of working class militants must be to link the resistance to capital’s attacks to their origins in the system itself, and seek to convert resistance into a globally coordinated challenge to the rule of capital.

The disintegrative tendencies of capitalism are today powerfully displayed. We must direct ourselves to the answer: the socialisation of production and distribution, of the fruits of all human labour, through a global revolution to destroy capital’s state power and take control of the world’s resources into the hands of the working class.

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PALESTINE

End the siege of Gaza

Even though Israel pulled out of Gaza in 2006, the Palestinians are still prey to regular military incursions and attacks, and still live under an embargo. This article is based on a speech delivered by *Marcus Halaby* at a *Workers Power* public meeting in London last month

It has become customary to begin articles about Palestine by reeling off casualty figures, as if it was possible to give an exact measure of the suffering or the sheer barbarity, to which Palestinians have been subjected, in numbers. And in a sense, this ritual has become meaningless, not just because it invariably tells the same story of a largely unarmed and defenceless population facing the armed might of the world's fourth strongest army, but because, by the time the story has been told, the Israel Defence Forces murder machine has already claimed another victim, and so renders the story out of date.

Even so, it is still useful to point to these figures, not as a measure of suffering or barbarity, but as an indication of the balance of forces, one that makes Israeli minister Matan Vilnai's reference to a "Holocaust" for the Palestinians sound less like a careless choice of words and more like a real threat.

So, one could point out, as Seamus Milne did in *The Guardian*, that the ratio of Palestinian to Israeli deaths was four to one between 2000 and 2005 (at the height of the Al-Aqsa Intifada), and was 30 to one in 2006 (when the Palestinians were already largely defeated and were busy fighting amongst themselves). In the three months since the much-vaunted peace conference at Annapolis in the US, it has risen to more than 40 to one, with 323 Palestinians dead set against seven Israelis, of whom only two were civilians.

The crude home-made rockets fired by Palestinian militants from Gaza, the supposed justification for its siege and bombardment, have killed only 14 Israelis in the course of seven years. But in the West Bank, from which no rockets have been fired at all, there have been 480 Israeli attacks since November 2007, in which 26 Palestinians were killed.

Israel's apologists routinely base their support for Israel's murderous actions on its supposed right of self-defence in international law. But faced with such figures, one has to ask the question: just who is attacking, and who is retaliat-

ing? And this is without raising the question of the political source of the violence, the denial to the Palestinians of their right to return, or Israel's policy of building Jewish-only settlements on occupied Palestinian lands.

One need not use that dreaded word "disproportionate" to doubt that Palestinian violence, however misdirected and counter-productive it sometimes is, can hardly be the cause of a much larger onslaught whose ultimate political objective is to abolish the Palestinians' national existence as a people, whether through expulsion, forced

for the inevitable concessions they would have to make in any negotiations with Israel, they entered into a "unity government" with Fatah, the losers of the same election.

The response of the world's "democracies", the United States and the European Union, in particular, was to follow Israel's lead in withdrawing recognition and cutting off tax revenues, by imposing sanctions, withholding vital humanitarian aid and refusing to talk to the Palestinians until Hamas had "renounced terrorism" and recognised Israel's "right to exist" – as if it was Israel's existence that

June 2007 was therefore effectively a pre-emptive strike by a democratically elected government against an attempted coup, the preparations for which were already visible in advance to everybody except the most blinkered. The current siege is an intensification of what was first imposed after Hamas' election victory.

In the situation that faces the Palestinian people, and especially to the Gazans under siege, we have to say that a policy of pacifism is completely useless. But one need not be a pacifist to understand that the tactics adopted by Hamas have been counter-productive in the short term, while their strategy of guerrilla actions coupled with negotiations ultimately leads to the same blind alley of compromise and betrayal that Fatah has already travelled down.

Nevertheless, the actions that saw the breach in the wall at the Egyptian border near Rafah point the way forward. This "violation of Egypt's sovereignty", as the opponents of the Palestinian resistance in the Arab world put it, placed Egypt's government, and the other Arab states, in a position where they could no longer turn a blind eye. Had the working class in Egypt had a leadership capable and willing to mobilise the masses to act, this could have been the beginning of a mass movement of practical solidarity to break the siege. And even in the absence of such a movement, this sort of action is able to inspire and promote the building of one, in the process shaking the corrupt capitalist Arab order that is as complicit in the oppression of the Palestinians as their direct enemies, US imperialism and the Zionist state.

Despite the Palestinians' weakness, therefore, we say that they do possess one weapon that, used consistently, can bring them closer towards victory. It consists of their ability, through mass action, to draw upon the solidarity of the popular masses and the oppressed, in the Arab states and world-wide. It is our responsibility in the West to build this movement of solidarity here.



Israeli jets have just bombed this woman's house in Younis, Gaza

emigration, or isolation into ghettos masquerading as a "state".

Nor is Palestinian violence any more indiscriminate than Israel's, as the victims of Israel's aggression in Lebanon can attest.

Similarly, it has become meaningless to count how long Gaza, the world's biggest open-air prison, has been "under siege" for, as if daily life in Gaza had been in some way "normal" before the current siege began.

Still, one should remember that this siege arose as a direct violation of the Palestinians' democratic right to choose their own leaders. Hamas won the January 2006 parliamentary elections with a large enough majority to claim power, either alone or with allies that included parts of the Palestinian left. Probably not wanting to win outright, nor expecting the scale of their victory, hoping to share the blame

was in any way seriously threatened. In parallel, they incited Fatah to provoke a Palestinian civil war to crush Hamas as a movement and eject it from office.

After the violence between the supporters of Fatah and Hamas was seemingly brought to an end by a Saudi-brokered accord, the US State Department revived its plans to strike at Hamas through the corrupt Palestinian security forces, trained by its Egyptian and Jordanian allies. Leaks to US magazine *Vanity Fair* show that Condoleezza Rice and Elliott Abrams (of Iran-Contra fame) cooked up a plot that involved money from the United Arab Emirates, guns from Egypt, and Gaza security chief Mohammed Dahlan, dubbed "Palestine's Pinochet" for his human rights abuses and unconcealed ambition.

Hamas' "take-over" of Gaza in

IRAQ

Mahdi army inflicts defeat on US puppet government

The recent fighting in Basra is the start of a war to break up Iraq and hand its oil wealth over to the imperialist multinationals, but, warns *Jeremy Dewar*, the resistance has won the first battle

On Tuesday 25 March, Iraqi prime minister Nouri al-Maliki announced a 30,000-strong military operation to crack down on lawlessness and illegal militia in Basra.

No one in Iraq was under any illusion that this was anything other than a declaration of war against the Mahdi army, loyal to Shia cleric Moqtada al-Sadr. Iraqi government forces did not engage the other major militia operating in Basra, the Badr Organisation of the Islamic Supreme Council of Iraq (ISCI, formerly known as SCIRI), led by Abdul Aziz al-Hakim.

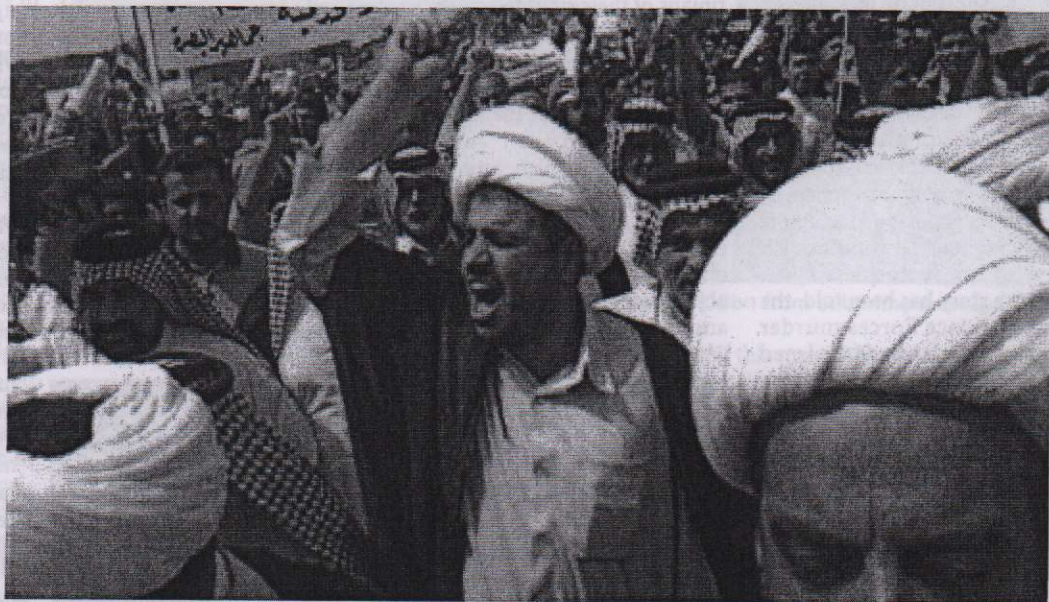
Within hours, fighting broke out not only in Basra and in Sadr City in Baghdad, known Mahdi army strongholds, but also in Kut, Hilla, Diwaniya and other cities. The unilateral ceasefire, that Sadr had called in August 2007 and renewed this February, had dramatically shattered. With it went media claims that the US “surge” and British “nation building” had pacified the country.

For many of the 60,000-100,000 militants in the Mahdi army, this came not a minute too soon. For months they had complained that the government and its US masters had been using the ceasefire to carry out raids, arresting and killing thousands of their members and leaders.

First round to al-Sadr

Following the same strategy as the US Marines used during the siege of Fallujah in 2004, which resulted in the loss of over 1,000 lives, and the Israelis are using in Gaza, Iraqi and US forces inflicted collective punishment on the people by laying siege on them. They surrounded the sprawling, poverty-stricken quarters of Sadr City, the eastern district of Baghdad, home to two million Shias, and to most of Basra as well.

Electricity and water supplies were cut; an indefinite curfew was imposed on Thursday 27 March; the streets became a battleground. Nouri al-Maliki came to Basra to



Supporters of radical cleric Moqtada al-Sadr protesting in Basra

take command and issued an ultimatum to the young Mahdi militiamen to surrender or face annihilation. US firepower was increasingly called in. Helicopters and fighter planes strafed the skies of Baghdad and Basra, guided to Mahdi army strongholds by US covert operation troops on the ground. Even British artillery fired rounds into the crowded districts they had once patrolled – albeit from the relative safety of their bunker at Basra airport.

Maliki's boasts soon turned to ashes in his mouth. Victory, as the saying goes, has many fathers but defeat is an orphan. Despite early claims from the Americans that this was the decisive turning point in “pacifying” the country, by Friday George Bush was already denying paternity. He insisted “this was [Maliki's] decision; it was his military planning; it was his causing the troops to go from point A to point B”.

By Sunday the official death toll stood at 488, with thousands more wounded. The real figure was undoubtedly much higher. But despite their overwhelmingly superior firepower, Iraqi government forces were losing the battle on the streets.

Cracks began to emerge in the Iraqi forces. Its commander in charge of Basra, Lieutenant-General Mohan al-Furayji, had warned that his troops had received insufficient training and wanted three more months to prepare for the offensive.

Iraqi newspaper Azzaman wrote: “Thousands of police officers were reported have refused fighting the militiamen and at least two army regiments joined them with their weapons in Baghdad. More troops were said to have sided with the militiamen in Basra.”

By Sunday a ceasefire was hurriedly agreed. Sadr announced, “Because of the religious responsibility, and to stop Iraqi blood being shed... we call for an end to armed appearances in Basra and all other provinces.” However, it soon became apparent that it was Maliki and Bush, not Sadr, who had taken the biggest blows. Sadr demanded again that Mahdi army prisoners be released and that raids against them cease. His aide, Hazem al-Araji, told reporters that weapons would not be handed in.

But the scale of the defeat for the prime minister and the White House puppeteer went beyond this. Al

Jazeera reported that the deal was brokered after “senior figures in Iraq's major Shia parties and representatives of the Iranian Revolutionary Guard held the negotiations in the Iranian city of Qom”.

This appears to be an astonishing humiliation for the US and its stooge prime minister. The US trained Iraqi army splits; the police force becomes inoperable; the government goes cap in hand to the commander of Iran's top army division to negotiate a peace deal with Sadr, presumably behind Maliki and Bush's back.

Maliki could hardly have foreseen a week ago when he promised to “fight to the end” that it would not be Sadr's. Indeed Maliki's end cannot now be very far away, although his very weakness may prolong his political life, as the conflicting political forces in Iraq manoeuvre between a growing Iranian and a withering US influence in the country.

Battle to break up Iraq

George Bush described the Iraqi government offensive as “a defining moment in the history of a free Iraq”. The Battle of Basra represented a major step in US imperialism's attempt to break up Iraq into three

weak states, or three confederated autonomous statelets, through which it can achieve its aim of dominance over the region, ensuring the permanence of major US bases and a firm grip on its enormous oil reserves. Maliki's abject failure throws this strategy into confusion once again.

Paul Bremer drew up the new Iraqi constitution, under which the national elections of January 2005 took place, with the specific aim of encouraging Kurdish, Sunni Arab and Shia leaders to use its powers to establish their own fiefdoms. This took the heat off the US troops and sparked a sectarian civil war, as militias – and infiltrated government forces – fought each other for territory, and millions either fled the country or were internally displaced by pogroms.

The January 2007 "surge", the US policy of pouring even more troops, currently around 160,000 of them, into Iraq was designed to oversee this internal division. A wall has been built in Baghdad to separate Sunni and Shia quarters, hitherto far more intermingled. Much of the tribal and ex-Ba'athist led Sunni insurgency was bribed into the Awakening movement, an 80,000-strong US trained militia that has driven al-Qa'ida underground. The Kurdistan Regional Government has developed into a virtually independent US protectorate, and returned the favour by signing its own deal with Western multinational oil companies. And the two million inhabitants of Basra, which controls between 60 and 70 per cent of the country's oil reserves, has been handed over to local Shia militia, with the hope that they would do likewise.

Important referenda and elections are due this year. In the summer, there will be a referendum in the oil city of Kirkuk and in Mosul to decide whether they become part of the Kurdish region; in October, regional elections will be held. Given the federal constitution, these are vital flashpoints.

The elections are also crucial for deciding who will benefit from Iraq's vast oil reserves. The draft Iraq Oil and Gas Law has been stuck in parliamentary wrangles for over a year now. The Bill would grant Big Oil production sharing agreements (PSAs) to profit from existing and future oilfields for anything up to 37 years: in short, a privatisation rip-off on a grand scale.

It is this that underlies the break-up of Iraq: why there is such fierce fighting in and around Mosul and Kirkuk, and why is the US determined to defeat the Sadrists in Basra first.

Indeed, US Vice-President – and Big Oil man – Dick Cheney was in Iraq only a week before the surprise offensive began. Ostensibly, he was there to discuss the passage of the Oil and Gas Law. But many in Iraq believe he also pressured Maliki take on the Mahdi army ahead of previously agreed schedules. Always hot headed and impatient of delays, Cheney and his pupil in the oval office are aware that their time is running out and their man McCain's only hope is to be able to claim a substantive victory in Iraq.

The problem for the US now is that Sadr's Mahdi army won. So who is Moqtada al-Sadr and what is the Mahdi army?

Limits of Sadr's nationalism

Sadr was not a prominent cleric before the 2003 invasion, although his father was a Shia martyr, executed by Saddam – indeed Sadr City is named after Moqtada's father. Sadr has never claimed to be the leading Shia in Iraq, and has previously given ground to Grand Ayatollah Ali al-Sistani, who is more closely linked to the ISCI.

But the 2003 lightning victory of the US and the total dissolution of the Ba'athist army and police led to a wave of violence, lawlessness and looting in the capital. The Mahdi army was a spontaneous response to this, setting up checkpoints, patrolling streets and dispersing limited supplies of food and essentials to the needy. Soon the Mahdi army became the major force in the slums of Baghdad, Basra and beyond.

Sadr repeatedly proclaims himself an Iraqi patriot, not a Shia communalist, struggling to keep the country united, exclude the Americans and ensure Shia and Sunni, Arabs and Kurds all benefit from the country's natural wealth. There is no reason to doubt his sincerity: only the feasibility of his strategy, which includes, if not direct collaboration with the Americans, at least collaboration with the collaborators. Despite boycotting the 2005 elections, Sadr has agreed to work with – and effectively join – Maliki's government. He has a bloc of about 30 MPs and is influential in the Ministry of the Interior: hence the Mahdi army's infiltration of the police.

One cause for Sadr's at least rhetorical denunciation of the occupation is the mass base of his movement. For them everyday reality is one where the US has committed countless atrocities against civilians, fomented sectarian divisions, and failed to fulfil promises on security or restoration of the economy. But

Sadr has many times pulled back from direct confrontation with the occupiers – in Najaf in 2004, in August 2007 and just now.

Another fatal flaw of the Sadrists is the political Islamism of their movement. It limits its appeal to the religious Shia population, in effect excluding Sunnis, Christians, secular Arabs and Kurds. It is hard to ascertain on what scale the Mahdi army has been implementing a harsh fundamentalist regime based on sharia law, targeting women, youth, trade unionists and socialists, in those areas it controls, or whether it has committed atrocities against Sunnis and others. But it is clear that there is considerable resentment against the Sadrists from those opposed to the occupation, which indicates it is not all US-Iraqi government propaganda.

Also subject to conjecture is the extent to which Sadr himself exercises control over his forces. On more than one occasion, ceasefires have been called in order to cleanse the Mahdi army of "rogue elements". More importantly, perhaps, Sadr has spent much of the past period in Iran engaged in religious studies, while a layer of commanders have established authority on the ground. It was interesting that Hazem al-Araji had to add to Sadr's nine-point statement on Sunday that the Mahdi army would not disarm – and that senior ISCI and Da'wa leaders worry that these commanders may undo Sadr's compromise.

The problem the Mahdi army poses to the US is not Sadr's policies so much as the aspirations of its mass base, both in class terms and location. The Shia urban and rural poor and working class overwhelmingly support the Mahdi army. And they are not confined to the south, but exist in large concentrations right up to Baghdad and across the east into Diyala province. The extreme poverty of Sadr's mass base pushes him occasionally to the left, while its geographical spread makes it an obstacle to the US plans to divide Iraq into three.

This is why the US took the extraordinary step of siding with ISCI and its Badr Organisation against the Mahdi army: extraordinary because the ISCI is closer to the Iranian regime than any other party in Iraq. It was formed in 1982 as a split from Da'wa, in the wake of the Iranian revolution, and fought alongside Iran during its decade-long war with Iraq. Its political aim is not just an Islamic republic, but one ruled over by a council of clerics rather than a democracy. What further proof of US desperation could there be!

Undoubtedly, in the event of any of the major Shia Islamist parties – Da'wa, ISCI, Mahdi army or local variants – winning control in southern and eastern Iraq, the US would face a stronger Iran. Sooner or later, the imperialists would respond by launching an attack on Iran itself, or using its ally Israel. This is besides the enormous defeat this would represent for working class unity, the rights of women and minorities, and the struggle to use Iraq's oil wealth to rebuild the country according to the needs of the people.

Permanent revolution

The danger now is that after the Battle of Basra, Sadr and his aides will – as they have done before – barter away their advantage over Maliki and the American forces for a deal based on a revision of Iraq. But there is an alternative.

Secular working class and socialist forces, in the workplaces and the trade unions, in the schools and colleges, should appeal to the restive rank and file of the Mahdi army, who genuinely do want to drive out the American occupiers, to the poor Sunni Arabs in the west and Kurds in the north to organise a united front against US imperialism's attempt to divide and conquer, and steal the oil profits. This unity can only be forged on the basis of demands that address the needs of the working class, the peasants, the unemployed masses, and by guaranteeing in advance no privileges based on religion, ethnicity, gender or sexuality, and self-determination for the Kurds, up to full independence if they wish it. Only on this basis can the independence and unity of Iraq and its peoples be assured.

The Iraqi masses have put up a heroic fight back against the US and British occupiers for five years, but they have been thwarted of victory because of an acute crisis of leadership within the resistance movement. Only a revolutionary communist party, rooted in the unions and working class districts, armed with a programme of mass direct action – strikes and demonstrations leading to a mass armed insurrection – can drive out the occupying troops, and by nationalising under workers control all existing and future oilfields, and establishing the direct rule of workers and peasants' councils, give the Iraqi people the peaceful and prosperous life they so deserve.

In short only the strategy of permanent revolution can give Iraqis social and political freedom – and begin the socialist revolution across the whole Middle East.

US PRESIDENTIAL ELECTIONS

The meaning of the

Barack Obama's revival of old-style populist Democratic rhetoric may win him some working-class voters. But his policies cannot change their lives for the better, and need to be exposed

Barack Obama's campaign to become the Democratic Party's candidate for the US presidential elections has upset the experts' calculations. In three short months since his surprise victory in the 3 January Iowa primary, Obama has become the front runner in the campaign, with a slight edge over Hillary Clinton in delegates for the August Democratic convention which will decide the candidate. More than this, he has emerged as a political "phenomenon" with a youthful movement behind him on a scale not seen since the 1960s.

Both Democratic candidates are increasingly making populist appeals to working class voters, in order to tap the deep vein of anger and frustration in the US over the Iraq quagmire, stagnating wages and now the collapsing economy. A New York Times poll (April 3) found that 81% of Americans believe the US is "seriously" on the wrong course, skyrocketing from 35% in 2003 and the highest since the poll began in 1993.

But they have run very different campaigns. Hillary Clinton has emphasised her experience as a reliable, establishment politician with eight years of experience in the White House during Bill Clinton's presidency. The continuity is underlined by her double-act campaign, where the ex-president is campaigning as actively for her as Hillary herself. She seeks to win voters who have strayed to the Republicans by portraying herself as competent and "hard" on national security issues.

In contrast Obama, a US Senator since only 2004 and relative newcomer, has looked left beyond this demographic to win potentially millions of new, young voters. He presents himself as a candidate who began as a grass roots community campaigner in his early days in Chicago, who is against climate change and the war in Iraq, and for economic and social justice.

In mass rallies he has captivated audiences with calls for wholesale "change" and the urgency of the present moment, underlining the sense of crisis felt by many Americans. He makes appeals to "heal the nation" and "change how business is done in Washington", for unity to end division between conservative, Republican-supporting "Red States" and Democrat-supporting Blue States, and building "a coalition of white and black; Latino and Asian, rich and poor, young and old".

This is aimed at a deep disgust with establishment politics, where elections see the Republicans and Democrats slug it out with weeks or months of non-stop nasty advertising campaigns only to produce the same big-business policies once in office. The Democrats in particular have alienated millions with their cynical "triangulation" strategy pioneered by



Bill Clinton, aimed at regaining power after twelve years of Reagan and Bush Senior.

Triangulation meant bending the knee to the Republicans and taking for granted the vote of workers, women and ethnic minorities, who would be unlikely to vote Republican and had no other alternative. Meanwhile the Democrats made themselves "more Republican than the Republicans" on issues like welfare reform and balancing the budget at the expense of social programmes, in order to win back the support of big business. Hillary Clinton, "Mrs Triangulation" as one pundit dubbed her, has made a career of this unprincipled strategy in the Senate. But it met with disaster in the Democrats' bid for the White House in 2004, where John Kerry triangulated himself into defeat, supporting the Iraq war with the claim he would run it better than Bush had.

In contrast, Obama's campaign rhetoric, his "message", along with the historic possibility of a black president, has created skyrocketing illusions among youth, black voters and anti-war activists. Thousands of volunteers give his campaign the trappings of a grass roots movement and seriously helped him mobilise enough forces to beat Hillary Clinton, who throughout 2007 was seen as the "inevitable" Democratic nominee.

Instead, after his shock landslide in Iowa, Obama has gone on to win a majority of Democratic primary contests, giving him 1,418 delegates to Clinton's 1,250. Now more and more heavyweights of the Democrat Party establishment are signing up to his campaign. This includes Senator Ted Kennedy, who has compared him to the mythical JFK as a once-in-a-lifetime, historic figure.

Obama phenomenon

On 4 March, Clinton's campaign was thrown a lifeline as she won primaries in Texas, Ohio and Rhode Island all in one day, breaking a string of Obama victories throughout February. Now the campaigns are gearing up for the Pennsylvania primary on 22 April, a big state worth 188 delegates and a vital contest for both candidates to win.

Clinton needs to reverse Obama's momentum and show she remains a viable candidate; Obama, who has eaten into Clinton's base among women and Latino workers, needs to prove he can win white workers in key states like Pennsylvania which will prove crucial to winning the presidency on November. White male graduates favour Obama, but white males without degrees favour Clinton, giving her an edge in the old industrial rustbelt states such as Ohio and Pennsylvania.

But polls now show Clinton's 15 point lead over Obama in early March have shrunk to 5% as Obama brings his massive war-chest to bear. He has raised \$40 million in March (twice as much as Clinton), partly through small Internet donations but also because in reality he, even more than Clinton, receives millions from big business and Wall Street financiers. Behind the army of volunteers lies a sophisticated, well-oiled campaign machine, able to fund a non-stop barrage of radio and TV ads. It is this machine just as much as his message and movement that has allowed him to take the lead.

The real Obama

So underneath the message of change and skilful rhetoric, what does the real Obama stand for and will he fulfil the mass illusions that his youthful activists place in him?

For the last year the main debate has focused on Iraq, as a touchstone for supposedly different approaches to foreign policy. In 2002 Obama, then a member in the Illinois state senate, spoke out against the Iraq war while Clinton famously voted in favour of it, giving Bush a "blank cheque for war" in his words. But Obama has since stated in interviews that if he had seen US intelligence reports he might have thought differently concerning the invasion – hardly showing consistent opposition to the War on Terror!

Obama has been just as quick to sign the cheques for Bush's requests to fund Iraq's occupation, with a voting record identical to Clinton on national security issues. He is upping his rhetoric to compete with Clinton, stating his support for Israel against "the perverse and hateful ideologies of radical Islam," and is committed to leaving thousands of US troops

in Iraq while ramping up the war in Afghanistan.

Obama has even held a press conference stuffed with flags and retired generals and admirals to rebut Clinton's assertions that he is not "commander in chief" material, to prove to the wider US capitalist class that he is a safe pair of hands for US imperial interests abroad, and to allay any fears about his populist rhetoric and support by much of the anti-war movement such as MoveOn.org. For all his rhetoric, Obama's presidency clearly will not entail any significant withdrawal from the US occupations in the Middle East.

It's the economy again, stupid

Since the Wall Street crisis in mid-March and with the contest looming in Pennsylvania, both Clinton and Obama have swung to tap into voters' concerns about the coming recession. The latest figures show 80,000 jobs lost in March alone and unemployment rising to a three-year highpoint of 5.1%, while home repossessions and arrears in mortgage payments are skyrocketing.

While Obama and Clinton have bashed "Bushonomics", they have so far done little more than support the timid measures of the government. The US government has bailed out Wall Street investors with nearly a trillion dollars in cheap loans or more direct support, such as the \$29 billion extended to guarantee Bear Stearns' dodgy investments so that JP Morgan could take over the bankrupt firm.

Clinton and Obama have made populist speeches demanding that the government help the millions of ordinary Americans losing their jobs and homes, not just the rich and big business. In Obama's words, "If we can extend a hand to banks on Wall Street, we can extend a hand to Americans who are struggling through no fault of their own."

But neither has put forward a viable solution to the crisis. Clinton proposes a freeze on foreclosures and a government fund to buy up the mortgages and bail out the bankers along with the homeowners. Obama's policies are even more moderate, favouring government support for a private sector solution and proposing greater regulation of the financial sector – but without clamping too tight a hand on economic innovation. These policies amount to peanuts compared to the largesse handed over to Wall Street in recent months, and will neither dampen the crisis nor ease the pain of workers facing a meltdown in the economy.

The mealy-mouthed plans for immediate relief are, like Obama's ticket as a whole, dwarfed by promises of things

to come, if only he is elected president. He promises tax cuts for "working families" and retired workers, along with affordable healthcare, rebuilt infrastructure, and schools and colleges. Where the money for this would come from, when he has also promised to balance the budget, remains unanswered.

Obama's presidency would be caught between the recession and the \$9.4 trillion debt racked up by the Bush presidency, so that any redistribution to the working class would mean hitting profits of the capitalists hard. After 35 years of stagnating profit rates in which US capitalism has continuously fought to offshore jobs, slash pensions and healthcare, hold down wages and push through tax cuts for the rich, the capitalists will not stand aside and see these policies reversed without a fight. But this is a fight that the populist Obama is neither willing nor able to lead.

US capitalism cannot be reformed to benefit the majority of Americans, while also keeping the ruling class happy and their profit rates up. Obama's promises to transform politics and usher in a new era are based on this kind of illusion, and they do not add up. And his calls for tolerance and unity sound quite empty when, for example, he refuses interview with the gay press to avoid touching a dangerous subject.

Phenomenon or Con?

Obama is no less a triangulating Democrat than Clinton. Neither one can bite the hand that feeds them – the majority of big business funding has shifted from the Republicans to the two Democratic frontrunners. Both lead the way in contributions from banks, hedge funds, private equity firms, and other finance houses responsible for the mess in the first place. For US capitalism a Democratic government is the best way to reverse out of the impasse created by Bush and Iraq.

Obama is winning the favour of ever increasing sections of the Democratic establishment, who need the mobilising power of his message to win. They also need it to confuse, misdirect and stall the working class – to sow the illusion that their lives are about to change for the better while they are made to pay for the painful process of recession that the US is about to undergo.

Socialists must struggle throughout 2008 to expose the Obama con to the tens of thousands of progressive activists and supporters of the Obama campaign – black, Hispanic, youth, labour. We must explain clearly why Obama does not deserve our support, and prepare to lead all those inevitably disillusioned in the coming years to renewed struggle and the building of a new, mass workers party that can lead a socialist revolution in the USA.

INTERNATIONAL

Riots shake Chinese occupation

Tibetans and their supporters have faced down Chinese police inside the country and disrupted torch-bearing ceremonies for the Beijing Olympics around the world to highlight their cause.

Peter Main argues for the right of national self-determination of the Tibetan people

As the Olympic flame was paraded through London, protesters gathered outside a government office in Garze, an ethnic Tibetan region of western China. Police reacted with typical brutality, killing eight and injuring dozens. These deaths must be added to the 19 kill during last month's demonstrations in Tibet and neighbouring provinces of China.

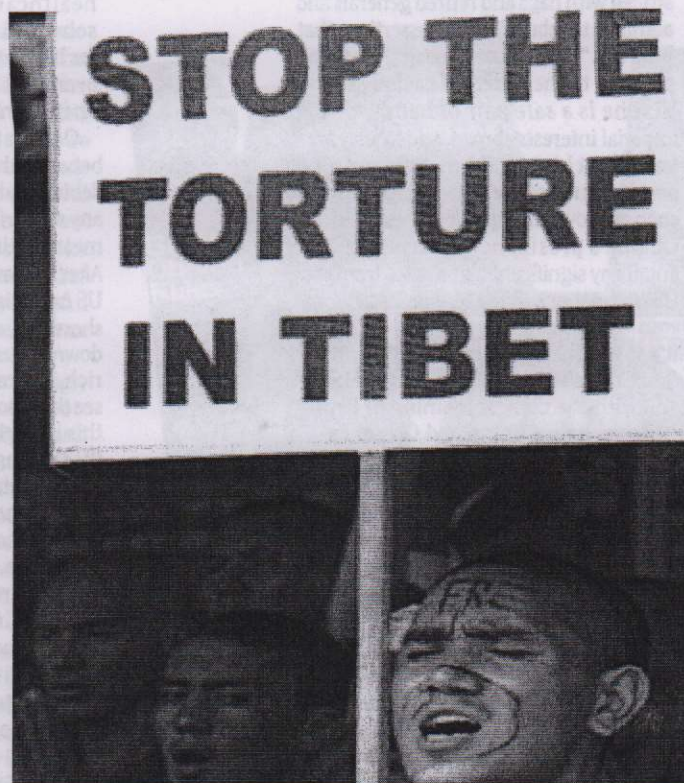
After those protests, the Dalai Lama called for a dialogue with Beijing to achieve "autonomy within China" but demonstrators in the capital Lhasa and around the world demanded a fully independent Tibet. Meanwhile, Beijing insisted that Tibet has been part of China for centuries and that the Tibetans are just one ethnic group among many, whose cultural heritage is protected by autonomous status, while government policy ensured progress and modernisation.

The speed with which a peaceful demonstration by 300 monks grew into a mass movement that could only be suppressed by the mobilisation of the Chinese army, and the fact that demonstrations spread into the neighbouring provinces of China itself prove beyond doubt the continued vitality of the Tibetan national movement. Any democrat, let alone any revolutionary should reject Beijing's arguments.

Tibetan history

Whether or not there were inter-dynastic marriages in the ninth century or Mandarins appointed to the governorship of Tibet in the 18th, is completely beside the point. Nations are modern political phenomena, born out of a combination of internal development and external pressures. In the 20th century, the people of Tibet repeatedly asserted their national identity, beginning with the declaration of independence at the time of the first Chinese Revolution in 1911.

Within months of China's occupation in 1950, clashes took place between the Tibetan population and the occupying forces, developing into a guerrilla conflict that culminated in the uprising of 1959. In 1989, widespread demonstrations and protests confirmed that Bei-



jing's policies, far from resolving the national question, had stoked up nationalist sentiment that continued to express itself in support for the exiled Dalai Lama.

Significantly, Hu Jintao, now China's president, oversaw the brutal suppression of those protests. They turned out to be the immediate precursor to the suppression of the Democracy Movement in China that followed the Tiananmen Square massacre of June 1989.

Since then, the policy of the Chinese Communist Party has been to try to liquidate the Tibetan national movement by reducing the ethnic Tibetans to a minority in their own country. Large-scale settlement by Han Chinese, many forced from their own homes, was encouraged by economic subsidies.

At the same time, Beijing encouraged capitalist development in Tibet just as in China, providing infrastructural support, such as roads, housing, power supplies and, most recently, a railway connection to Lhasa. Although presented as a benefit to all the people of Tibet, these developments largely passed the ethnic Tibetans by, and

served only to consolidate the position of the Han settlers.

No figures for the ethnic composition of Tibet are available, but both the Dalai Lama's government in exile and Beijing suggest a total population of 5.4 million. By comparison, in 1990, there were approximately 2.2 million ethnic Tibetans and they made up 95% of the total population. These figures suggest that, while not yet "an insignificant minority" as the Dalai Lama claims, Tibetans may well have been displaced as the majority community.

Self-determination

Does this invalidate Tibetan demands for independence? How could a minority justifiably claim the right to determine the future political institutions of the country? Is the Dalai Lama, perhaps, simply being realistic when he limits his demand to autonomy within China?

Recognition of the Tibetans' right to national self-determination is the only principle that can provide a consistent basis for answering such questions. That right was violated by the Chinese invasion of 1950 and can

only be restored by ending the occupation. To reduce the issue to the status of a headcount would mean to grant Beijing the right to "create facts" on the ground, rather as Israel creates facts by settlement of the occupied territories in Palestine.

Moreover, since Beijing clearly has no intention of withdrawing, the issue will not be resolved by referendum but by political struggle. The outcome of that struggle, including the development of political currents and parties in both the Tibetan and the Han communities, is not determined in advance.

Where next?

Clearly, as in all such cases, there is already a stratum in the Tibetan population, which collaborates with the occupation. Others, such as the followers of the Dalai Lama, oppose the struggle for independence or subordinate it to a principle of pacifism, thereby guaranteeing the continuation of Beijing's dictatorial rule. As recent events have shown, there is also a growing current that rejects all preconditions on the right to national independence.

Equally, there is no reason to assume that all of the Han settlers will always automatically side with Beijing. Many will already have scores of their own to settle with the Communist Party and, in the context of increasing instability in China and the future overthrow of the party dictatorship, may opt either to return to their homeland or make common cause with the ethnic Tibetans in a liberated Tibet.

For these reasons, it is crucial to link principled support for the Tibetan right of self-determination to a political strategy of permanent revolution that can offer Tibetan workers and farmers not only democratic government based on their own organisations, but also the prospect of winning allies within the Han community, which capitalist development will inevitably divide.

Revolutionaries in China, in particular, must follow the example of the Russian Bolsheviks who inscribed support for the right of self-determination of all oppressed nationalities into their party programme.

Workers have the power to force Mugabe out of office

As we go to press Zimbabwe is poised on a knife-edge. Will Robert Mugabe try to steal yet another election? *Dave Stockton* looks at the key reason for his repeated escapes – the leadership of the opposition and its ties to imperialism and the white landowners

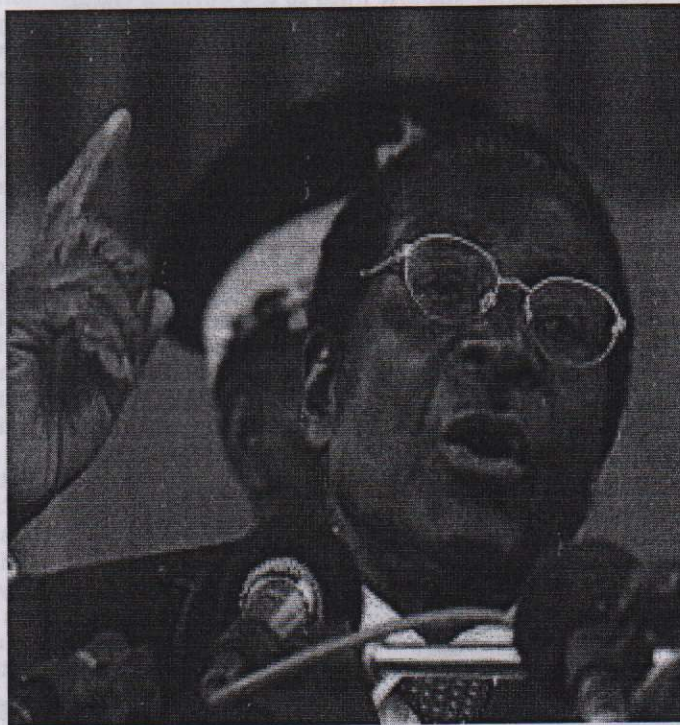
One thing is clear in Zimbabwe. Zanu-PF and its aged dictator Robert Mugabe - in power for 28 years - lost both the parliamentary elections and the presidential poll. The refusal to release the election result can only be because the result is not what the Zanu-PF party wanted. They lost despite the media blackout of the opposition, despite police harassment, and despite outright rigging in areas where they could get away with it.

On the other hand it is clear too that Mugabe is not going gracefully. If he can cling onto power - i.e. if the army and police are willing to fire on the people - then he may gamble on either stealing an election declaring a state of emergency.

In this project he has one ally, albeit an unwilling and unconscious one - the leadership of the Movement for Democratic Change itself. Their tactics and strategy - focused on strictly legal and peaceful means - involves refusing to call for mass mobilisations. This plays straight into Mugabe's hands, as it has done several times before.

Today, once again the MDC leaders are hoping that the reported deep divisions within the Zanu-PF hierarchy, plus external pressure from the US and UK imperialists as well as other African states, will be enough to win them the presidency, perhaps with some sort of collaboration from a reformed Zanu-PF. Britain and the US in turn reinforce the message that the MDC should take only peaceful measures.

While a negotiated outcome is not entirely impossible, this will only be a compromise with the ruling class. Indeed it is only the holy fear of a revolution that will bring about even the mildest change in the actions of the regime. To assure all and sundry you will remain peaceful (i.e. passive), whatever happens, will only strengthen Mugabe's resolve to risk a coup and help him rally the army and police chiefs to do the job.



Popular front

The MDC was founded in 2000 as an alternative to founding a Zimbabwean workers' party - a project that the Zimbabwe Congress of Trade Unions (ZCTU), whose president was Morgan Tsvangirai, had espoused. However, powerful capitalists came into the party: people like Eddie Cross, an agricultural economist close to the big white landowners, and Roy Bennett its treasurer and former capitalist farmer. In short the MDC is a popular front: a cross-class party that hands over leadership in the struggle for consistent democratic rights and economic power to sections of the capitalists.

Before 2000 the ZCTU had strongly condemned Mugabe's failure to take over the huge farms of the white settlers and businessmen, but the MDC turned its back on radical land reforms. It thus handed Mugabe the weapon of fast track land reform to beat them with.

When Mugabe stepped up the repression, the MDC repeatedly

called on Britain, the US and the other imperialists to intervene in Zimbabwe. Suddenly Mugabe was able to pose as the anti-imperialist fighter and revolutionary once again.

The working class elements in the MDC were deprived of two of the main weapons to oust Mugabe: the land question and the struggle to free the country from the grip of the multinationals and the foreign banks.

Today there is only one way to stop Mugabe playing his old tricks. This cannot be done by negotiations with the generals and police chiefs, but by mobilising the masses to win over the army rank and file to the progressive movement. Tsvangirai has allowed vital days to slip by, days when the masses were buoyed up by the realisation that Mugabe had lost. For these few days the army and police were hardly to be seen. Then was the moment for a relatively bloodless takeover of the streets, for huge demonstrations, demanding the publication of the

election results and the resignation of the tyrant.

Now already the atmosphere has been allowed to cool. The masses, increasingly disappointed and disoriented, have received no calls to action. Mugabe has even been able to mobilise his "war veterans" militia, gangs of thugs he has used time and gain to beat and crush resistance. He has turned the police loose on MDC offices and foreign journalists.

If Mugabe is allowed to announce a falsified result of the presidential poll and call a run-off election, one which will be conducted under the clubs, knives and guns of his "war veterans" and the paramilitary riot police, then once again a profoundly revolutionary situation in the country will have been allowed to slip back into a counter-revolutionary one.

General strike

Only if the working class immediately launches a campaign of workplace occupations, strikes, road blockades, taking over the streets and confronting the army with the appeal not to open fire on their sisters and brothers - i.e. a general strike - will it be possible to turn the tables. To do this means organising action councils in the cities and countryside and forming workers and poor peasants' militias.

But if the workers thereby pull the MDC's chestnuts out of the fire for them, then they must not for one minute support its real programme which will be to use the excuse of the economic crisis to pay the white landowners compensation, accept an IMF recovery package, and start selling off state assets to foreign multinationals.

In short the working class must break free of the MDC, and create a workers' party with an action programme for a socialist solution to Zimbabwe's broken down economy. The workers must struggle to take power, whether this be from Mugabe or Tsvangirai.

DEBATE

Critical Support for Labour: A tactic the AWL cannot get right

Sacha Ismail of the Alliance for Workers Liberty in a recent article for *Solidarity* newspaper claimed that *Workers Power* swings wildly from opportunism to ultra-leftism. As *Luke Cooper* points out, Ismail's arguments only reveal the AWL's own zig-zags over the Labour Party

The starting point for Ismail's polemic is that the AWL is calling for a first place vote for Lindsey German of the Socialist Workers Party's Left List in the London Mayoral elections, i.e., above Livingstone. For him, we should support German because she has a more "left" programme than Livingstone. Describing the list of Livingstone's reforms as things any "liberal" or "populist" would do, he claims these "constitute the basic justification for *Workers Power*'s support". Although he is forced to concede that we were very critical of Livingstone's record in office, he is quite wrong.

For us, the Livingstone's election manifesto and his record in office mean little beyond indicating that he remains a Labour politician (i.e., a British reformist, with bourgeois politics linked to the labour movement, trade unions etc.)

We know Livingstone not only has "a programme any liberal or populist could agree to", but also has widespread support amongst workers, the trade unions and the organisations of the racially oppressed. None of this changes the fact that our task in these elections, just as during Livingstone's time in office, is to break the illusions working class people have in him. The question is how should we go about doing this.

Discussions on the correct electoral tactics for revolutionaries go back to the early 1920s. Then, as now, revolutionaries confronted the problem of winning working class people supporting mass reformist parties to communist ideas.

Lenin and Trotsky argued this could not be done simply by denunciation. The held that, giving Labour candidates critical electoral support in elections would help expose and break illusions in them, not re-enforce them as sectarians feared. The key was to encourage their supporters to demand important measures to

improve workers conditions, and demand they actually implement them in power.

Thus, whilst working with the Labour rank and file to get their party elected, revolutionaries would, mercilessly criticise the reformist programme and warn of the reformist leaders' coming betrayals. This, Lenin and Trotsky argued, was better than just cursing them from the sidelines whilst needlessly offending the reformist workers' class instincts, as expressed in their desire to kick out the open bosses' parties.

We see critical support for Livingstone, using exactly this method, as the correct tactic. But does this contradict our fight for an alternative to Labour? On the contrary it is part of our overall strategy to bring this about.

The AWL's wild swings

For the past five years *Workers Power* has argued that the experience of a prolonged period of Labour rule created a real possibility for building a new workers' party. In office, Labour's attacks on the working class, its vicious imperialist wars, and its racism towards Muslims and refugees, have angered millions of its traditional supporters. Many have stopped voting Labour in helpless protest, because they found no viable working class alternative to vote for.

This did not mean that Labour had become a bosses' party, no different from the Tories or Liberal Democrats; it retained its organ-

ic links to the working class, through the majority of its traditional voting base, and crucially, through the affiliation of the mass trade unions. In short, to use Lenin's phrase, it remained a bourgeois workers party.

Indeed, during the Socialist Alliance (1999–2003), *Workers Power* had cause to argue against the AWL's position that Labour was no longer part of the working class movement, a position they later dropped en route to resuming major entry work within the Labour party. They swung back into the Labour party *en-masse* when Brown came

in as leader because they thought that it would open up a more positive situation in the Labour party for socialists to operate in. This was obviously a gross overestimation.

You might expect Sacha to be a little more cautious in his accusations,

given his own organisation's record of impressionistic zig-zags, not just on tactics, but on Labour fundamental class character. We have, of course, no objection in principle to an organisation deciding, after careful analysis, that Labour has become a bourgeois party. But doing so, more than once looks, in the words of Oscar Wilde, "awfully like carelessness."

The fact that we are voting Labour in the London elections does not change our view that the direction of development in

workers' consciousness remains away from Labour. This is especially true of the vanguard, who we can expect to draw conclusions earlier and thus at variance with those of the mass of workers.

But we also have to register that, after ten years of Labour in power, the majority of the organised left has done everything in its power to cock up every promising opportunity to build a new party.

The fact that there is a crisis of working class political representation, that is, a crisis in workers' relationship to Labour, is an opportunity to make clear propaganda and agitation on the need for a revolutionary party.

Can this project be advanced by supporting Lindsey German? Definitely not. Her campaign not only fails to bring together any serious working class forces who we would need to relate to with Lenin's method, to break their illusions in the SWP, but the programme she is standing on is completely reformist. It makes no demands that challenge the logic of profit or the existence of capitalist ownership, no mention of the need to challenge and break up the state power, etc. So if her programme is not qualitatively better than Livingstone's and her likely level of support is pathetic, what possible basis is there for supporting her?

A vote for the Left List is simply an endorsement for the failed Respect project. Once again, the AWL are unable to learn from their past mistakes. The farcical splits in the Socialist Alliance, the Scottish Socialist Party and Respect all show, clear as day, that "the left" cannot simply unite on a lowest common denominator, but has to win mass forces to building a party whilst debating their programmatic differences out in front of these militant workers.

Our message to AWL members is – start a fundamental re-assessment of your tradition and method, and call your flip-flopping leadership to account.



WHAT WE STAND FOR

Workers Power is a revolutionary communist organisation. We fight to:

- Abolish capitalism and create a world without exploitation, class divisions and oppression
- Break the resistance of the exploiters by the force of millions acting together in a social revolution smashing the repressive capitalist state
- Place power in the hands of councils of delegates from the working class, the peasantry, the poor - elected and recallable by the masses
- Transform large-scale production and distribution, at present in the hands of a tiny elite, into a socially owned economy, democratically planned
- Plan the use of humanity's labour, materials and technology to eradicate social inequality and poverty.

This is communism - a society without classes and without state repression. To achieve this, the working class must take power from the capitalists.

We fight imperialism: the handful of great capitalist powers and their corporations, who exploit billions and crush all states and peoples, who resist them. We support resistance to their blockades, sanctions, invasions and occupations by countries like Veriezuela, Iraq or Iran. We demand an end to the occupation of Afghanistan and Iraq, and the Zionist occupation of Palestine. We support unconditionally the armed resistance.

We fight racism and national oppres-

sion. We defend refugees and asylum seekers from the racist actions of the media, the state and the fascists. We oppose all immigration controls. When racists physically threaten refugees and immigrants, we take physical action to defend them. We fight for no platform for fascism.

We fight for women's liberation: from physical and mental abuse, domestic drudgery, sexual exploitation and discrimination at work. We fight for free abortion and contraception on demand. We fight for an end to all discrimination against lesbians and gay men and against their harassment by the state, religious bodies and reactionaries.

We fight youth oppression in the family and society: for their sexual freedom, for an end to super-exploitation, for the right to vote at sixteen, for free, universal education with a living grant.

We fight bureaucracy in the unions. All union officers must be elected, recallable, and removable at short notice, and earn the average pay of the members they claim to represent. Rank and file trade unionists must organise to dissolve the bureaucracy. We fight for nationalisation without compensation and under workers control.

We fight reformism: the policy of Labour, Socialist, Social-Democratic and the misnamed Communist parties. Capitalism cannot be reformed through peaceful parliamentary means; it must be overthrown by force. Though

these parties still have roots in the working class, politically they defend capitalism. We fight for the unions to break from Labour and form for a new workers party. We fight for such a party to adopt a revolutionary programme and a Leninist combat form of organization.

We fight Stalinism. The so-called communist states were a dictatorship over the working class by a privileged bureaucratic elite, based on the expropriation of the capitalists. Those Stalinist states that survive - Cuba and North Korea - must, therefore, be defended against imperialist blockade and attack. But a socialist political revolution is the only way to prevent their eventual collapse.

We reject the policies of class collaboration: "popular fronts" or a "democratic stage", which oblige the working class to renounce the fight for power today. We reject the theory of "socialism in one country". Only Trotsky's strategy of permanent revolution can bring victory in the age of imperialism and globalisation. Only a global revolution can consign capitalism to history.

With the internationalist and communist goal in our sights, proceeding along the road of the class struggle, we propose the unity of all revolutionary forces in a new Fifth International.

That is what Workers Power is fighting for. If you share these goals - join us.

CONTACT

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Activists' diary

Thursday 10 April

Workers Power meeting

From credit crunch to global meltdown:

GLOBAL ECONOMIC CRISIS

Speaker: Richard Brenner

19:30 Indian YMCA, Fitzroy Square, London (nearest tube: Warren Street)

Thursday 24 April

Workers Power meeting (details as above)

19:00 Conference Room, Upstairs in ARC, Leeds University Student Union

Thursday 24 April

NUT strike - to be joined, possibly, by UCU, PCS, Birmingham Council unions and others
Picket-lines around the country
11:00 NUT march from Lincoln's Inn Fields, London (nearest tube: Holborn)

Saturday 26 April

End the siege of Gaza - Free Palestine

Demonstration 13:00 Briggate, Leeds

Rally Leeds Metropolitan University

endthesiege@gmail.com 07982-977 374

Sunday 27 April

Love Music Hate Racism carnival

12:00 - 18:00

Victoria Park, London

Featuring Babyshambles, Jerry Dammers, etc.

Thursday 1 May

London mayoral elections

Vote Labour and Ken Livingstone

Thursday 1 May

May Day demonstration

Assemble Clerkenwell Green, London

(nearest tube: Farringdon)

Saturday 10 May

1968 and all that

Celebration, meetings and bookstalls

Conway Hall, Red Lion Square, London

(Nearest tube: Holborn)

Saturday 10 May

Free Palestine national demonstration

Assemble 13:00 Temple tube

Rally in Trafalgar Square

The Constituent Assembly

By Dave Stockton

Since Hugo Chavez called elections for an assembly to draft a new constitution for Venezuela in 1999, the idea of the Constituent Assembly as a weapon for the popular classes to achieve major improvements in their conditions has come back onto the political agenda.

In Bolivia in 2007 another populist, Evo Morales, summoned a Constituent Assembly. A similar assembly is about to start its work in Ecuador. In Nepal, too, in the wake of the downfall of the monarchy, elections to a Constituent Assembly are about to take place.

These developments raised the issue of how revolutionaries should relate to what Lenin referred to as “the highest form of democracy in a bourgeois republic”. Indeed the Bolsheviks included the Constituent Assembly in their programme, putting it amongst their main demands during the revolutions of 1905 and 1917. Yet famously, too, they dissolved the Russian Constituent Assembly in January 1918. Were they breaking with their own principles or did this mean the Constituent Assembly had proved a false slogan that now needed to be dropped? Neither was the case.

So what role does the Constituent Assembly play in the preparation of a proletarian revolution? How does this highest form of bourgeois democracy relate to the key means for the working class to establish its own power: the workers’ council or soviet? Is not the soviet a higher form of democracy?

Limits of bourgeois democracy

First, we must be clear what a Constituent Assembly is. It is a body of elected representatives of the people – i.e. workers, urban petit-bourgeois, peasants and capitalists, too – tasked with drafting a new fundamental law for a state, its constitution. This will include the basic rights of its citizens as well as the state’s attitude to private property, etc. All bourgeois constitutions firmly defend the latter.

Marxists have always insisted that an Assembly must have the sovereign power to do this, i.e. it must not be subjected to other parts of the capitalist state, the army, the judiciary, former parliaments, which can frustrate or distort the people’s will. In reality, Constituent Assemblies are all too often subjected to such outside controls; for example, today the will of Bolivia’s Constituent Assembly has just been subjected to the veto of the High Court and the old parliament.

Such undemocratic external forces will always try to thwart the far reaching or rad-

ical measures a Constituent Assembly may take in the interests of the working class and peasants.

But even if a Constituent Assembly is fully sovereign, to the extent that it retains the character of a bourgeois parliament, it suffers from a basic democratic deficit. Millionaire capitalists control the media. Their agents in society – the clergy, the NGOs – preach obedience, passivity, respect for private property. In elections, where the means of debate and discussion are tightly controlled by these forces, the working class is not operating on a level playing field.

Debates in front of mass meetings of ordinary people, enabling them to question and investigate their would-be representatives, are a rare experience in parliamentary-style elections. In elections to a Constituent Assembly revolutionaries should ensure these do take place.

Last but not least, the fact that represen-

Revolutionaries put to the Assembly that it adopts a constitution based on workers councils not a bourgeois parliament

tatives in parliaments are free of immediate control or accountability enables such bodies to regularly and systematically thwart the electorate’s wishes, as the House of Commons did in 2003 by approving a war the majority did not want and which two million demonstrated against. In a Constituent Assembly revolutionaries have to address this democratic deficit, too, demanding the instant recallability of delegates by their electors if they go against their wishes.

But if bourgeois democracy’s claim to be “the rule of the people” is a fraud, then perhaps the Constituent Assembly should just be opposed outright, and the more democratic workers’ soviet be counterposed to it? The problem is that the struggle for democratic rights in capitalist society is a powerful aspiration of millions. Just as in Pakistan last autumn and in Zimbabwe today, the masses will always struggle for them against dictatorial regimes. Indeed, these struggles can often turn into a direct struggle for power.

Thus revolutionaries, who simply counterpose the “class struggle” to the struggle for democracy, or soviets to a Constituent Assembly or a parliament, will isolate themselves from the masses, as the anarchists have so often done.

It is true that the fight for democracy can indeed be the road by which the capitalists deflect the masses away from the proletarian revolution. But it can also be, as the Bolsheviks showed in 1917, the road to workers’ power. In any case, to abstain from the struggle is not an option for serious revolutionaries. It is part of the class struggle. The outcome – workers’ or capitalists’ power – depends on the leadership the working class has, what strategy it adopts, how skillfully it can deploy slogans and tactics.

The Constituent Assembly is an invaluable slogan in conditions, where a country is emerging from a dictatorship, or where a nation is breaking free of oppressive rule by another state, and where not merely constitutional rights are at stake, but where an economic and social crisis poses the question of the ownership of the land or natural resources by big landowners, foreign multinationals, or where national minorities or women suffer from crushing inequalities.

Revolutionary demands

Here revolutionaries must mobilise around the demand that the Constituent Assembly adopts revolutionary measures to solve these questions, unlimited by recognition of the rights of private property on the land and of the large-scale means of production. To the extent that the bourgeois and reformist parties block these measures, their popular credentials will be exposed as fraudulent, and the workers mobilised to ensure that the Constituent Assembly carries out their wishes.

Thus, revolutionaries fight for the masses to make this as certain as possible by getting their own organisations, trade unions, workers’ councils, alongside similar bodies of the poor peasantry, to convene and guard the Constituent Assembly, so that bourgeois forces cannot intimidate or thwart its deliberations.

Last but not least revolutionaries put to the Constituent Assembly the demand that it adopts a constitution based on workers’ soviets, not a bourgeois parliament, based on distributing the land to the tillers, the factories, offices, etc. to those who work in them. If, nevertheless, its bourgeois democratic limitations, as in Russia in 1918, lead to a more conservative, even reactionary majority, and the workers soviets have taken or can take power, then it will be necessary for the revolutionary government to dissolve it.