

SOCIALIST OUTLOOK

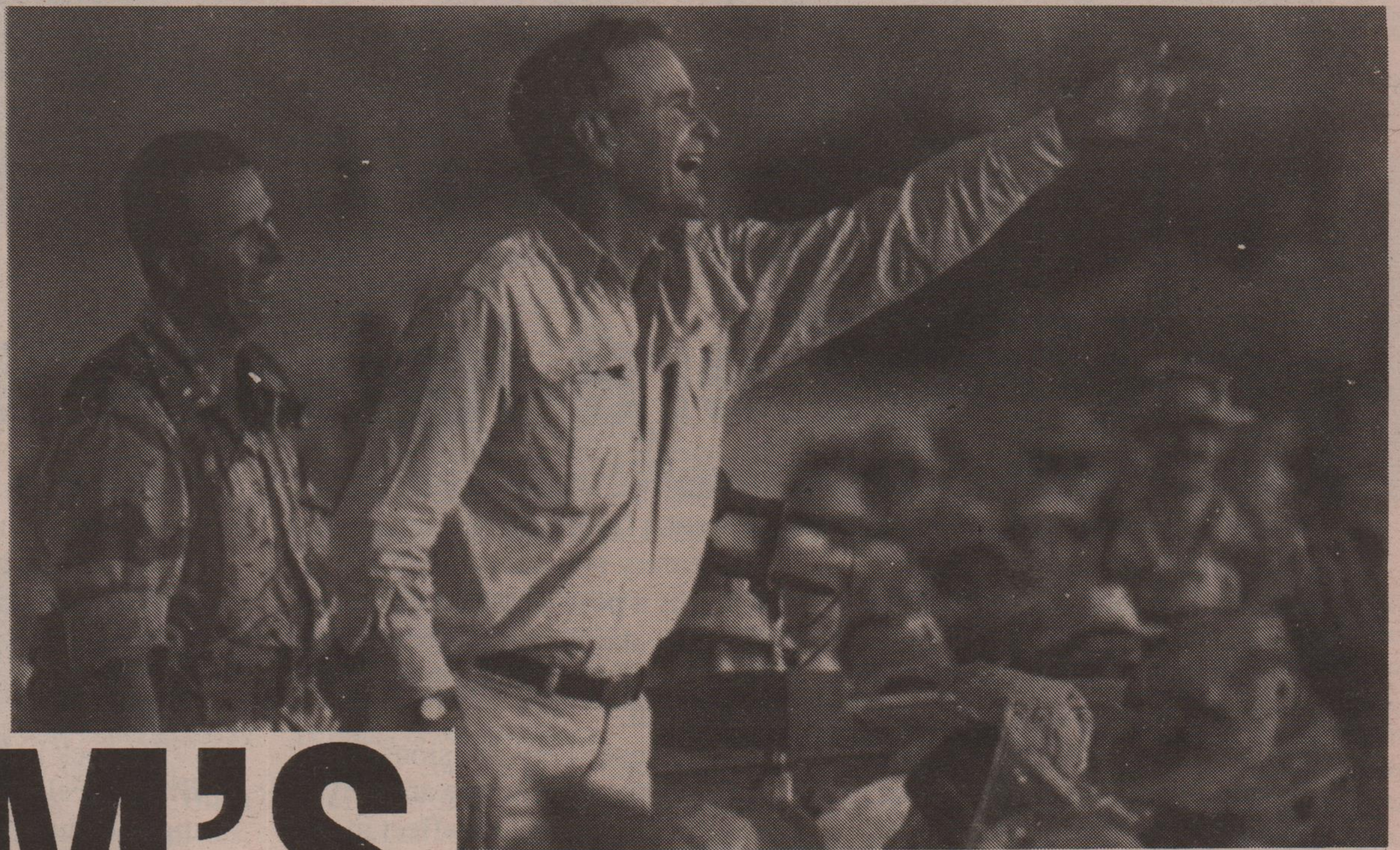
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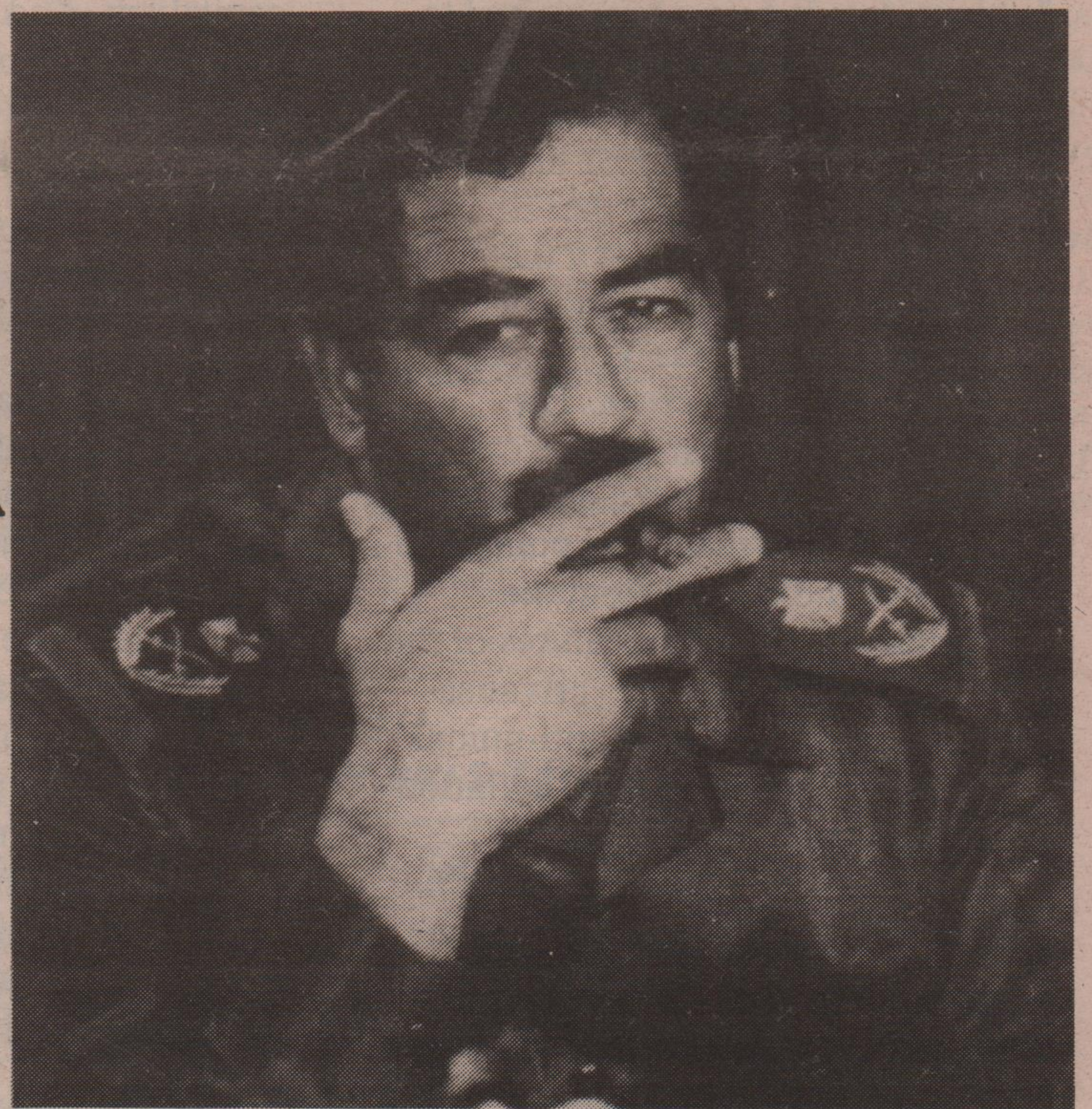
- * Debt campaign
- * East Germany
- * Union laws
- * Lambeth

As Iraqi troops massacre Kurds

BUSH BACKS SADDAM'S SLAUGHTER



Bush with troops: Where did the rhetoric lead?



Saddam: crushing all opposition

Behind the heartrending headlines and reports of the mass repression, slaughter, forced migration and misery inflicted on Iraq's Kurdish population, and beneath the crocodile tears in Downing Street, two key facts stand out.

First, despite all the propaganda pumped out by the British and US governments that compared Saddam Hussein to Hitler, and despite their earlier calls for the Iraqi people to oust Saddam, George Bush and John Major now support his regime against those fighting to overthrow it.

Second, the current situation has been created by the imperialist military intervention in the Gulf, and would be worsened, not resolved by any further US or external military action.

The USA and Britain want Saddam removed only if this is carried out by a military coup that would install a new strongman at the helm of the Baath regime. They will oppose the revolutionary overthrow of Baathist rule by any popular forces, whether these be Kurds, Shias, or a coalition of the various Iraqi opposition forces.

As one angry US Senate official told *Newsweek* magazine in the closing stages of the Gulf War: "The position of the US administration is precisely that we want to get rid of Saddam, but not his regime. It's like getting rid of

Hitler but leaving the Nazis in power."

This underlines the point that the fight for the withdrawal of US and coalition troops - which are aiding Saddam by giving his forces free reign to crush Kurdish and other opposition fighters - must not be relaxed but stepped up.

Few socialists will be surprised by the latest twist in the two-faced position of the imperialist coalition on Saddam's regime. While the Butcher of Baghdad was being courted in the 1970s by Moscow and the West, then feted in Washington in the 1980s as the supposed scourge of Ayatollah Khomeini's fundamentalist Iran, and even lauded by some as an 'anti-imperialist' opponent of Israel, it was only socialists who exposed the true character of the Baathist regime, which has been consistent only in its ruthless and cynical repression of any form of internal opposition.

After Saddam's reactionary invasion of Kuwait, the imperialist propaganda machine was cranked into action, 'discovering' a long list of crimes including his poison gas attacks and repression of the Kurds: the media began to draw the (completely spurious) parallel with Hitler.

But in one respect the parallel is appropriate: Churchill and other leaders of world imperialism were at first quite content to do deals with Hitler and turn

a blind eye to his repression of the labour movement and onslaught on the Jews: they saw him as an ally against Stalin's USSR.

Today's imperialists would rather do deals with Saddam than risk his overthrow by popular forces that could lead towards the liberation of the oppressed and fragmented Kurdish people - destabilising not only Iraq, but also their NATO allies in Turkey, which has an 9-million-strong Kurdish minority. They prefer this 'Hitler' figure who is totally committed to preserving the integrity of Iraq, to the threat of revolution or even possible fragmentation of the existing states in this strategically and economically vital region.

There can be no doubt that the uprisings in the South and North of Iraq were triggered by the Gulf War, urged on by the repeated public calls from Washington and London for the Iraqis to oust Saddam. This gave rise to the tragically deluded belief among the Kurds and others that the huge US forces still occupying 15% of Iraq and controlling its entire airspace would give at list limited and tacit support to

an uprising.

It is now clear that these speeches were aimed only at top sections of the Iraqi military, in the hopes that some form of junta would form to remove Saddam.

The USA wanted to be able to adopt a new ready-made dictatorship, not run the risk of direct political intervention to install an obvious puppet regime or of dealing with unknown Shia muslim, Kurdish and Iraqi civilian political groupings. The popular revolt that took place was not part of the imperialist game plan. As John Major arrogantly summed up:

"I do not recall asking the Kurds to mount this particular insurrection."

Instead the US troops were deliberately moved back and told to politely avert their gaze while Saddam's army weighed in against the rebels using tanks, helicopter gunships, planes, napalm and acid - in

continued back page

Editorial



Spain's Thatcherite 'socialist' Felipe Gonzalez; Kinnock anxiously watches his back, as the vultures begin to gather

Where is Labour going?

Quietly, behind the scenes, a new Labour leadership battle is shaping up. If Labour loses the next election then Kinnock will go. Maybe Hattersley will go too.

According to some rumours support is building up for Gordon Brown to be the next leader, as opposed to the favourite, economic spokesperson John Smith. Others say that a John Smith-Margaret Beckett slate is being constructed to replace Kinnock and Hattersley.

The rumours of this manoeuvring show that the labour leadership is far from convinced that electoral victory is a certainty. All the polls shows that Labour has not decisively capitalised on the Tory post-Thatcher poll tax crisis. The reasons is obvious. No one can have confidence that a Kinnock government will deliver policies decisively different from the Tories. All the main features of the 'Thatcher revolution' - privatisation, benefit cutbacks, anti-unions laws, ERM membership, deflation - would remain under Kinnock.

The Labour front bench may be able to score parliamentary points over the poll tax. But this does not translate into a convincing policy

alternative. With Major trying to present a 'more caring' image, parliamentary politics is drifting towards a post-Thatcher consensus. Scottish and Welsh nationalists and the Liberal Democrats are gaining as a result.

Of course, Tory divisions over the poll tax and Europe are very deep. Both problems reflect insoluble problems for British capitalism. And contrary to Norman Lamont's budget optimism, there is no short-term escape from recession, high interest rates and rapidly growing unemployment. This means that the Tories can be no more certain than Labour of electoral victory.

Major's best asset remains the failure of the Labour leadership to advance any radical alternatives.

Labour's crisis is part of a wider transformation of European social democracy. The strength of the social democrats in the post-war years was growing prosperity. On the back of economic growth their project of reforms within capitalism and steadily growing living standards remained credible. But economic crisis in the 1970s devastated that perspective.

Everywhere the social democrats have moved sharply to the right. Governments like those of Mitterrand in France and Gonzalez in Spain can only administer the crisis and tinker with cosmetic reforms.

Kinnock in power would be a British 'Felipe Gonzalez', presiding over austerity and crisis. But with one difference. Despite the deep swathes cut by new realism into the ranks of the Labour Party, the Labour left is still powerful compared with its French or Spanish counterparts. This means that either an electoral defeat or a Kinnock government will create deep new conflicts in Labour's ranks.

A new Labour government would be a weak government of permanent crisis, elected in the depths of an economic recession. It is unlikely there will be any 'honeymoon period'. Trade union and social struggles would grow. Probably the space would be created for a new wave of racism and the regrowth of the fascist organisations. Other reactionary currents like the anti-abortion movement, would go on the offensive.

What does all this mean for socialists? The next general election will throw the elements of British politics into the air and rearrange them. One way or another Kinnockism and new realism will go into a new crisis. This will take place against the background of deep and long-lasting economic recession.

Two things follow. First, the idea that the struggle in the Labour Party is 'over' is premature. In any case, only a new test after the election could provide decisive evidence that the left has suffered an historic defeat at the hands of Kinnock and new realism.

Second, we are in a preparatory situation. We must use this period to put into place the forces and organise a broad left alternative in the coming crisis. That's why Socialist Outlook puts such stress on the building of the Socialist Movement, and its constituent parts - Women for Socialism, Labour Party Socialists, and the Socialist Movement trade union committee. Serious preparation to capitalise on the coming crisis will pay immense dividends for the left.

Lambeth Witch Hunt Deepens

By suspended councillor Steve French

On 3 April the Labour NEC voted to suspend 13 Lambeth councillors from Lambeth Labour Group, and to bar them from holding office in the party.

Local anti-poll tax activists Steve Nally and Kevin Fernandez were barred from holding office. None of the 15 had any notice of the charges and have no opportunity to

present a defence. A further 'investigation' will lay charges, which could easily result in expulsions. The same NEC made further attacks on councillors in Liverpool and Nottingham.

At the NEC meeting environment spokesperson Bryan Gould was angry at the move and said he hadn't been briefed. His confused TV performance afterwards showed the NEC didn't know what it was doing. Gould claimed that the 13 had been suspended because of repeated defiance of the Labour Group whip. This came as a shock to the Chief Whip, who was one of those suspended, and

council leader Joan Twelves and two of her supporters, who of course have followed the whip - even when the left wing has broken ranks.

The attack on Lambeth comes as a result of the stand which many left councillors have taken against the poll tax, and our opposition to the Gulf war. Kinnock aims to install a right wing majority in the council chamber, even if that means losing Labour control - as has happened in Liverpool.

Press reports on the move spoke of the NEC's need to 'minimise political embarrassment'. The real embarrassment is that the Labour leadership

humiliatingly served the Tories' war effort and refused to fight the poll tax.

Just as there was cross-party agreement on the Gulf, so there seems to be on Lambeth too. Labour MPs cheered Michael Heseltine's attacks on Lambeth, and one front bencher said that Lambeth was 'not really a Labour council'.

Lambeth Against the Witch Hunt has been formed to fight these attacks - all of them. But while some argue uncritically in defence of the Joan Twelves council leadership, neither I nor some other councillors do. While we defend her against Walworth Road attacks, we

cannot be uncritical. Her leadership capitulated on the poll tax, cuts and privatisation. It alienated many of those who should have been the heart of this defence campaign - in the party and among the local community.

Lambeth councillors think we should be building a national campaign against all these attacks on councillors. To this end Lambeth Against the Witch Hunt is calling a national meeting to co-ordinate the defence.

National meeting against the witch hunt. Saturday 27 April, 4pm, University of London Student Union, Malet St., London WC1.

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Cancel the Third World Debt!

This summer the leaders of the seven richest capitalist countries meet in London to discuss the world economic situation.

Campaigners against the mountain of debt which is suffocating the third world are preparing to greet them.

The newly-established *Cancel the Debt Campaign* is organising a mass demonstration of Saturday 13 July, and further activities while the capitalist leaders are here. WILL MACMAHON reports.



Starvation stalks the Third World as the imperialist bankers grow fat on interest payments

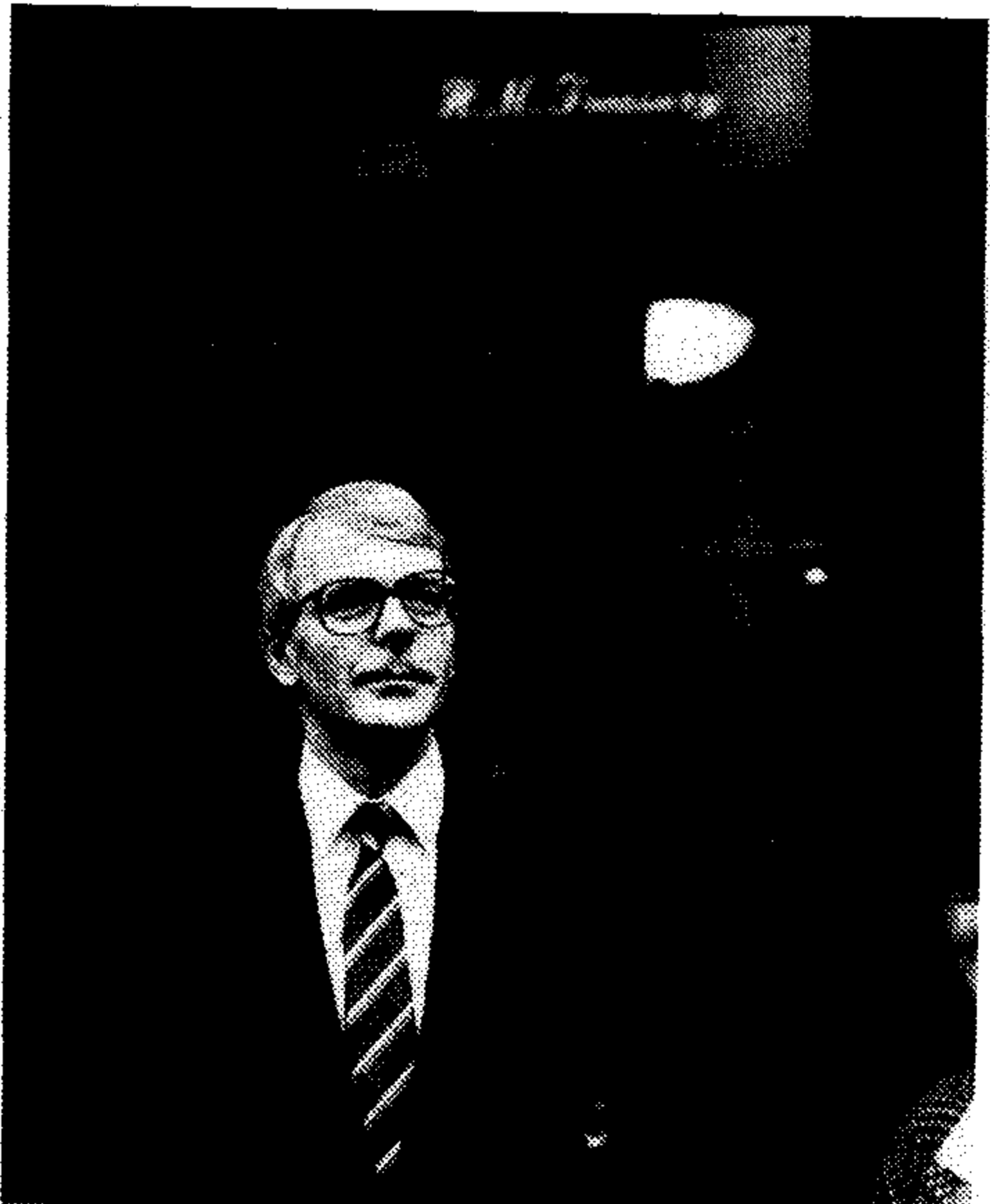
The annual summit of the Group of Seven (G7) is this year in London. Bush, Mitterrand, Major and the rest will be meeting in the aftermath of their Gulf 'victory'.

In addition to papering over their own differences on who gains from the 'new world order', they will, as usual be discussing how to continue their organised robbery of the thousands of millions of workers and peasants who live in the 'South' - the semi-colonial and dependent countries.

It is six years since Live Aid, which led to an immense outpouring of concern for the desperately poor and hungry in the 'third world'. In that time, while Eastern Europe has been the centre of media attention, the South has been sliding towards an abyss which has been little reported.

There have been no miracles in Africa, Asia and Latin America. In these six years the debt burden has relentlessly increased, bringing in its wake the inevitable IMF-sponsored austerity programmes and unimaginable suffering.

There is no shortage of statistics about the volume of the debt. One simple figure sums them up. Every



Keeping the cash: Britain's Major

day 40,000 children die of malnutrition or preventable diseases—a yearly holocaust of more than 12 million children literally murdered by the economic system imposed by the powerful imperialist states - with the collusion of the ruling classes in the South. One thousand million people live on less than \$300 a year - most of them on half that.

The origins of the debt was in the flood of 'petrodollars' which flooded Western banks after the 1973-4 hike in oil prices. Desperate to find profitable outlets, Western governments and banks searched the third world for people to lend the money to.

Mostly this torrent of lending did not benefit the ordinary people. It was frittered away by the ruling classes in the third world countries. Much of it returned to Swiss or US banks accounts as multi-million dollar nest eggs for third world rulers. A lot was wasted on 'prestige' buildings and other forms of conspicuous consumption.

At first the debt was 'rolled over' with new loans to cover interest payments. But as economic recession hit the West the loans were not rolled over; repayment on interest and capital was demanded. The massive transfer of resources from the poor to the rich which has characterised the last decade began.

The crisis for the third world is getting worse not better, and this is intimately connected with 'G7' plans. In the 'new world order' there is a concerted move towards military intervention in the South, and indeed towards the militarisation of its societies.

There is a new scramble

for markets, especially third world 'free trade zones' under the domination of one or other of the major imperialist economic blocs.

In the context of a worsening world recession, militarisation and free trade zones will be used to systematically force the South into deeper despair.

Campaigning against the third world debt is not a matter of charity but of solidarity. From the very first attempts at colonisation the workers and peasants of the third world have shown extraordinary determination to prevent the transformation of their lands into cheap labour colonies and dumping grounds for imperialism.

● Third for a new and just economic order. These demands can win an immense response in the labour movement, among students and all those concerned with third world and ecological issues.

Take action now. Raise in your trade union, Labour Party or other organisation the issue of sponsoring the Cancel the Debt campaign. Get the Campaign to send a speaker - or set up a public meeting. Get pledges of support for the 13 July demonstration and the other activities while the G7 leaders are here!

Cancel the Debt Campaign is supported by: Campaign for Non-Align-

ment, El Salvador Solidarity Campaign, Environmental Network for Nicaragua, FLMN, Institute for African Alternatives, Labour Party Black Sections, London Rainforest Action Group, Namibia Support Committee, National Womens Network for International Solidarity, National Organisation of Labour Students, Red-Green Network, Socialist Campaign Group of Labour MPs, Socialist Movement, Socialist Outlook, Socialist Society, Third World First, Working People's Alliance (Guyana), Women for Socialism, World Development Movement.



Now, of all times, there is the need for the broadest possible solidarity for the labour movement in the West. We cannot restrict our solidarity to when a guerrilla movement seems on the verge of taking power. In the aftermath of the Gulf war, where imperialism showed its barbarity much more openly than usual, it is time to act.

The coalition that has come together to organise this summer's activities bases itself on three simple demands.

● First, an unconditional cancelling of the third world debt.

● Second opposition to the austerity policies of the IMF and the World Bank.

★ Speaking tour on India ★

Achin Vaniak, prominent Indian activist and author of 'The Painful Transition - Bourgeois Democracy in India', will be in Britain for a speaking tour in May.

Vaniak, along with many other writers and activists, will be addressing a *Conference on South Asia* on May 25/26 at the University of London Union.

Further details of the tour and the conference are available from: 081 843 2333.

Cancel the Debt!

★ Mass demonstration - London 13 July

★ Monday 15 July 'Reception' for G7 leaders - Wednesday 17 July 'Send Off'

For speakers, affiliations or to become an individual supporter, write to: Cancel the Debt Campaign, c/o IFAA, 23 Beviden Street, London N1 6BH. Tel: 071-281 8148.

East Germany When the dreaming had to stop



Angry German workers march through Leipzig – once the centre of the revolution that led to unification

By the end of this year, unemployment is expected to go as high as 4 million (out of 9 million). As a proportion of the population (16 million) this is higher than the 6 million jobless that helped bring Hitler to power in 1933.

Similar strikes and protests elsewhere are being reported almost daily as workers realise the scale of the economic disaster that threatens them.

GUS FAGAN reports from Berlin

A recent article on eastern Germany in *Die Zeit* was titled: 'The End of an Illusion'. A study of east German opinion published on 22 February showed that 81.3 per cent of the east German electorate were 'disillusioned' with the promises made by West German leaders.

The Wickert Institute in Tübingen described this as a 'quantum leap in public attitudes'. A similar survey two months previously had shown 62.4 per cent 'satisfied', with only 37.6 per cent 'not satisfied'.

This 'quantum leap' continued into March with tens of thousands demonstrating against unemployment in Leipzig, the 'cradle of the revolution' in 1989. What has happened, and why?

The confidence in an 'economic miracle' was not limited to the citizens of the ex-GDR. Numerous commentators, even those who were pessimistic about the prospects for Poland or Hungary, thought that west German capital would bring the east up to western levels of efficiency and living standards. After all, Germany is waiting to step into the shoes of the USA as the world's leading capitalist economy.

Economic boost

Unification has indeed been a boost to the west German economy: increased growth, employment and a capacity utilisation of over 90 per cent have

created a boom reminiscent of the sixties. But this has happened at the expense of the productive capacity and of the workers in the eastern territories. To understand this, one has to look at how the political rationale of unification related to economic rationality, to the 'logic of capital'.

Planning dismantled

Where state-planning mechanisms are being dismantled in favour of market liberalisation and private investment certain advantages must usually exist to attract the private investor – closeness to markets, lower costs, state subsidies. In order to soften the blow of liberalisation, bodies like the IMF usually recommend currency devaluation. The discussion of German unification in 1989 also envisaged such a gradual process.

But Kohl and the West German Christian Democrats (CDU) decided, for political reasons, on rapid unification. The debate on transitional measures, already underway in the east, was marginalised by the all-German electoral battle between the CDU and the Social Democrats (SPD).

The first move by the chancellor, popular in the east, was the currency unification of July 1990. To own western currency and buy western commodities was an attractive prospect for the average east German. This currency unification, about which there were serious misgivings among



Empty promises – Chancellor Kohl

Germany's economic experts, was the decisive step. The CDU now saw no political advantage in a drawn-out unification process.

The political rationale behind Kohl's policy was clear. The economic consequences were by no means made obvious, although plenty of experts pointed them out, including the president of the Deutsche Bank.

Huge revaluation

The currency union was equivalent to an upward revaluation of east Germany's currency of 300 per cent. By contrast, the currency reform in West Germany in 1948 involved a devaluation of the D-Mark for over two decades, boosting exports and keeping out competition on the domestic market.

This currency union in 1990, combined with the rapid introduction of radical market liberalisation meant that east German firms couldn't cope with the competition. On 1 July 1990 the economic wall which had protected east German industry from all western competition disappeared. There is no comparable example where a national

economy has been exposed to such a shock.

Now the negative consequences of rapid unification have even been admitted by Bundesbank president, Karl Otto Pohl.

In the words of one economic critic: 'It was sheer adventurism, precisely in the new east German territory, to want to start a laissez-faire experiment. After all, the laissez-faire period was already at an end at the beginning of this century. The belief that the market can solve everything is not only naive, it is also irresponsible, especially when the conditions of competition on the market are extremely unequal.'

Raise wages

At the same time, the consequent (political) need to rapidly raise wages to west German levels eliminated the incentive of lower production costs for western capital. In the words of Lutz Hoffmann, president of the German Institute for Economic research (GIER) in Berlin:

'One didn't need a theory of system transformation to foresee the consequences of this. Industrial production [in the east] fell by 50 per cent in the first two months



Women strikers

after currency union and unemployment increased rapidly.'

The west German boom is a result of the fact that west German industry has acquired 16 million consumers. East Germans, with their new western currency, bought 800,000 cars in west Germany in 1990 – a flow of 7 billion marks from east to west.

Meanwhile Wartburg, the east German car producer, is on the verge of collapse. It closed at the end of March with a loss of 6,800 jobs (plus 30,000 jobs in the regional support industry). For west German commodity producers, commercial chains, car manufacturers and insurance companies, east Germany is the jackpot. For the east German economy, however, and for the workers in the five new Länder (states), the result has been disastrous.

In the third quarter of 1990, industrial production declined in the east by 48.1 per cent. In others it was between 60 and 64 per cent. Even in branches where high-quality products were once sold worldwide, in electrotechnology, the decline was 42.1 per cent.

For those who believed that the east Germans would be better off than the other east Europeans during this 'transition phase', it is inter-

esting to compare the decline in production in all of eastern Europe during 1990. As can be seen from Table 1, the decline has been far more drastic in east Germany.

According to the economist Harry Maier (one-time member of the GDR Academy of Sciences):

'What is happening is a generalised destruction of productive capacity which

Table 1

Eastern Europe: Decline in

EAST G
POLAN
ROMAN
BULGA
YUGOS
HUNGA
CZECH

will lead to levels of mass unemployment previously unthinkable.'

Maier thinks that a significant part of east German productive capacity could be modernised and integrated and is already of a relatively high quality. In the old GDR, 2.8 per cent (1989) of the value of gross social product went into research, similar to the West German figure of 2.7 per cent. The proportion of skilled labour in the GDR was 62.5 per cent (1988), in



'I told you so' SPD leader Lafontaine



more strikes break out each day

The effect on unemployment is dramatic. The official figures are 757,200 unemployed and 1.9 million placed on short time (effectively unemployed) - hence the recent wave of unrest.

According to employers' conservative estimates, layoffs are threatened this summer in the steel and metal industry (540,000), the chemical industry (150,000), textiles (160,000), mining and energy (400,000), agriculture (400,000) and in the public sector (700,000).

Collapse

February saw the collapse of the airline Interflug with a loss of 2,900 jobs (bad for the workers but good for Lufthansa). By the end of this year, unemployment is expected to go as high as 4 million (out of 9 million). As a proportion of the population (16 million) this is higher than the 6 million jobless that helped bring Hitler to power in 1933.

One of the consequences of this destruction of productive capacity and in-

Frankfurt once employed 8,000 workers, now it employs 1,300. The works will soon close. Public transport may soon have to close down. Doctors announced a strike in February because the hospital had no funds to continue beyond the end of March. The story is the same throughout East Germany.

Small wonder then that the pollsters are discovering over 80 per cent of east Germany's people 'disillusioned' with the promises of October 1990. In the German parliament and media the problem is expressed as a debate about the need for extra taxes to fund public investment and social welfare. Kohl, like Bush, went into the election promising no tax increases.

SPD inaction

The SPD, whose strategy in the election was to warn the voters that unification would hit them in the pocket, just repeat 'I told you so'. The German trade union federation, the DGB, has demanded a rescue programme of 60 billion marks for infrastructure and housing. But such a programme, which is far more generous than anything the government are likely to sanction, would secure only a few hundred thousand jobs.

Government job-creation schemes aim to create a limited number of jobs by paying the workers' wages for up to three years. But none of these measures address the nature or scale of the problem.

To preserve this productive capacity, to improve the infrastructure and to make use of modern technology (unavailable previously because of Western currency and trading restrictions) would require an overall plan and, under the present market conditions, a large degree of continued public ownership. But this is incompatible with the framework, agreed by all parties, of radical liberalisa-

tion and privatisation. Even the PDS, the most radical party with a base in east Germany, avoids any mention of planning in its economic programme.

Strikes

Many young skilled workers are moving to west Germany. According to estimates of the BDI (the employers' association), there will be about half a million workers from the ex-GDR working in the west this year. But for the majority this is not an option.

Throughout February and March there have been increasing reports of strikes and demonstrations by workers threatened with unemployment. Most of the ex-state industries have been kept running with the help of government subsidy. But at the end of June this runs out and many will have to close.

On 20 February there were strikes and demonstrations by 53,000 workers on the Baltic coast against job losses. On the same day there was a strike by 35,000 workers in the steel industry. These were followed by demonstrations numbering hundreds of thousands at the end of March in Leipzig and elsewhere.

Similar strikes and protests elsewhere are being reported almost daily as workers realise the scale of the economic disaster that threatens them. Though the ideological disorientation resulting from the collapse of the old state-planned economy and the lack of clear alternatives to market liberalisation have weakened resistance, unions such as IG Metall now appear to be playing a role in an increasingly widespread fightback.

Those that believed that the workers of Eastern Europe would accept relegation to 'third world' levels of poverty without a fight should now think again.



Getting rid of Gorbachev the easy way?

Miners lead fightback against Gorbachev's attacks

The Soviet Union has been plunged further into political crisis as Gorbachev attempts to keep control of the economy and the peoples of the USSR. Such a balancing act looks increasingly untenable.

Gorbachev has responded to Boris Yeltsin's repeated attacks with a two-pronged strategy of gradual marketisation and maintenance of a 'looser union'. Both seem doomed to failure. Meanwhile Boris Yeltsin is clearly preparing for further attacks on Gorbachev, with the formation of a faction of his supporters in the Congress of Peoples' Deputies.

Gorbachev's answer to the movements for national independence that have swept the USSR - the March 17 referendum - emphasised the fragility of his position. His victory - rather like that of the Albanian Workers Party in their first general election - was pyrrhic, with only a narrow majority of votes and a number of republics refusing to participate. It was closely followed by an overwhelming vote - 98% - for independence in a referendum in Georgia.

The economic situation poses a more immediate threat to the Soviet leadership's position. Soviet workers are now en-

during 300% price rises in basic commodities and services - such as bread, meat and travel - with an average wage increase of just 20% to compensate. Protest action looks sure to spread rapidly, following the government's retreat in the face of widespread action by miners.

The miners' action in the Ukraine and Vorkuta spread to the Sverdlovsk area, closing down steel plants and threatening electricity supplies. Support for the miners has been impressive, with a growing movement of sympathy strikes. Solidarity rallies and convoys of food have been organised in Lithuania and Moscow.

While bourgeois commentators have reacted with dire warnings of hyperinflation and chaos if the miners' demands were met, socialists should point to their victory and continuing struggle as an example. By contrast, Boris Yeltsin's perspective of rapid marketisation would lead to still sharper attacks on workers' living standards.

The miners strike has brought together both democratic and economic demands, expressing the interests of the Soviet workers rather than any of the factions of the Soviet bureaucracy.

Patrick Baker

Gross National Product 1990

GERMANY	22%
FRANCE	17%
ITALY	15%
USA	12%
UK	10%
SPAIN	5%
SLOVAKIA	3%

Germany's 8,000 state enterprises has a single mandate - to privatise. Renovation, upgrading, or the formulation of economic strategy are not part of its mandate.

To date, only a few hundred small enterprises have been sold. The rest are facing closure during this year. According to a report in Der Spiegel, the ministries in Bonn expect only 20 per cent of east German industrial capacity to exist by the end of 1991.

creasing unemployment is the crisis in social services and in local government. Frankfurt on the Oder is a small town of 90,000, twinned with Mühlheim in the West, which is twice the size. But whereas Mühlheim raises 110 million marks in local taxes, Frankfurt's tax income is 6 million. The taxes raised from business in Mühlheim amount to 90 million marks, in Frankfurt, to 1 million marks.

An industry outside

Socialism After Stalinism

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Unshackle the trade unions!



PHOTO: John Harris

British Aerospace workers rally against plant closures and redundancies

Redundancies are turning into an avalanche as the recession bites. But, argues ALAN THORNETT, resistance is hamstrung by capitulation to the anti-union laws. This month's 'Unshackle the Unions' conference is an opportunity to begin the fightback.

The trade union movement is going through its worst period for many years. Both the recession and an intensified employers' offensive are creating massive job losses throughout industry. Rationalisation schemes in service industries such as British Telecom, the Post Office and London Underground are threatening thousands of sackings.

Capitulation

The government has used the capitulation of local councils to the poll tax to decimate jobs and local services. Despite the Gulf war, arms manufacturers such as Vickers and British Aerospace are facing huge cutbacks because of unplanned 'defence' cuts with no switch to civil production.

Job losses on this scale are not new – they occurred in the early 1980s. What is new is the almost complete absence of resistance by the unions. While there is resistance on the Underground and workers have marched through London against redundancies, the huge



PHOTO: John Harris

Engineering workers fighting for shorter hours



Rail union leader Jimmy Knapp faces Underground pressure

strikes in defence of jobs and against the employers offensive of the early and mid-'80s are absent. Even after the defeat of the miners' strike, print workers and the seafarers fought to defend their jobs.

So what has changed? It is all too obvious. There have been too many defeats. 'New realism', which ensured those defeats, has tightened its grip on the unions to a stranglehold.

The anti-union laws make unofficial action is very difficult and likely to result in victimisation. It is a deadly combination. In order to take strike action the rank and file need more support from the top, and the existence of new realism ensures they don't get it.

Hard road

It is a hard road back from this situation, and involves a struggle both against new realism and the anti-union laws. It is not impossible – far from it. The spectacular victory of mass non-payment against the poll tax shows that a law repeatedly disregarded loses its authority and can be destroyed.

That has been the problem with the anti-union laws. Unlike the millions who refused to pay the poll tax, the TUC has insisted right from its betrayal of the NUJ in 1983 at Warrington that the Tory laws must be obeyed. This had allowed the Tories to bring in repeated new anti-union laws; now it is difficult to have a legal strike at all.

Victory

It is not an accident that the biggest anti-Tory victory since 1979, against the poll tax, was achieved by a popular movement completely outside of the offi-

cial structures. The labour and union leaders been opposed to fighting the Tories right from 1979, and they were no different in this case. The TUC insisted that people pay their poll tax right from the start. The Labour leadership witch-hunts those who refuse to comply with the law.

This does not mean that the official movement can be ignored or bypassed. Jobs, wages and working conditions cannot be defended by individual action; nor can the working class be mobilised politically just by popular movements, although they have a role to play.

The key problem is in the labour movement and the problem has to be tackled there. This requires a new wave of trade union struggle, of the kind which emerged in the summer of 1989. But here the anti-union laws become a barrier. In many ways, the 1990 law aimed at stopping unofficial strikes is the worst.

This law is now being used against the Post Office union (UCW) in Liverpool where its members refused to cross an NCU picket line after two NCU members were victimised. Ten UCW branch officers have now been suspended and the UCW taken to the High Court by Post Office

management under the 1990 Act, which came into force on 1 January, because some of its members had been involved in unofficial strike action.

Repudiate

Under the 1990 Act unions are obliged to repudiate any 'unlawful' (ie unofficial) action taken by their members. If a union does not sufficiently repudiate its members an injunction may be granted against it. To comply with this the union may be required to take positive steps to bring this repudiation into effect – for example disciplining or expelling members or shop stewards.

Since the new law removes any legal protection from unofficial strikers a union can be sued if it takes any action in their defence – even for organising a ballot for action to defend them.

The UCW leadership has complied with this in full and in advance. Alan Tuffin sent a disgraceful special notice to all UCW members which said the following:

'All UCW officials and members are advised that with effect from 1 January 1991 it will be unlawful for any official to incite or require any worker to break his employment contract by taking part in unofficial industrial action... that has not been authorised by a secret ballot and authorised by the Executive Council...

Dismissal

'Any union official who fails in this regard: A) is in breach of the law B) is in breach of union rules and thus C) render themselves liable to dismissal by the employer without any appeal or recourse to an industrial tribunal or compensation for wrongful dismissal...

'Any union member who responds to a request to take part in industrial action which was not authorised by the Executive Council in a secret ballot renders themselves liable to dismissal by

the employer without recourse to an industrial tribunal for compensation for wrongful dismissal, and cannot be protected by the union...

'All UCW members are therefore instructed that they must not become involved in industrial action without a ballot on or after 1 January 1991.'

This outrageous letter is a direct incitement to the Post Office management to use the law at the earliest possible opportunity, exactly what they have done in Liverpool.

Flout the law

If instead of such compliance these laws were flouted by the unions, in the way the law was flouted by those who refused to pay the poll tax, we could soon be in a very different situation. If the employers had to pay a price for the use of the law they would think twice about using it.

But this is not going to happen today. The right wing union leaders are still convinced, against all the evidence, that industrial action is an electoral liability which could lose Labour the next election. This problem will have to be shifted by a new round of industrial struggle initiated at rank and file level.

Preparation

There is, however, much preparatory work to be done by militants in the unions. That is the purpose of the *Unshackle the Unions* conference being organised by the Socialist Movement Trade Union Committee and the Haldane Society of Socialist Lawyers on 27 April.

Representatives of current struggles from the Liverpool Post Office to the London Underground will be there. A big and representative conference could make a real contribution to the fight to defeat the anti-union laws.

Unshackle the unions!

Conference on the fight against the anti-union laws

Speakers include: Tony Benn, Micky Fenn (sacked Tilbury docker), John Henty QC, Ronnie McDonald (OILC)

Saturday 27 April 11-5.50pm, ULU, Malet St.



PHOTO: John Harris

Cops run not: now Poll Tax protesters are paying the bitter price

Poll Tax prisoners need solidarity

Since the 'Battle of Trafalgar' during the demonstration against the poll tax on 31 March 1990, those arrested have been routinely given harsh sentences by the courts.

Most of those arrested have faced summary 'justice' in Magistrates Courts, frequently charged with 'threatening behaviour' – a catch-all charge under the Public Order Act. Those charged were frequently imprisoned following the evidence of a single policeman, on the basis of minor offences – verbal abuse, shaking fists and so on. Examples are legion. One defendant was jailed for two weeks for kicking a 'McDonalds' window, though it was not broken. Magistrates have made it clear that severe sentences were being given for

one reason alone – that the accused were anti-poll tax protesters.

With the Tories' recent U-turn, there is now a danger that the those imprisoned will be forgotten. Two dozen protesters from the 31 March demonstration are currently in prison, some on serious charges. Others have been imprisoned from local demonstrations. Still others are facing charges including riot and arson. All of these prisoners deserve the support of the anti-Poll Tax and labour movements.

These convictions and sentences represent an attack on the left. They are an attempt to intimidate demonstrators through physical violence – and a warning against self-defence.

It is therefore important that the left continues to give solidarity to those in prison.

The Trafalgar Square Defence Campaign has set up a Prisoners Support Group to organise solidarity – sending money and books, organising prison visits and letters of support.

The anti-poll tax movement must continue to demand the withdrawal of all remaining charges against anti-poll tax protesters and freedom for those imprisoned.

A supporter of Socialist Outlook, Matt Lee, was arrested on the 31 March demonstration. He has been sentenced to 30 months imprisonment. Letters can be sent to:

Matthew James Lee
MW1054
HMP Wandsworth
Heathfield Road
Wandsworth
London SW18 3HS

Tony Benson

No fight from students' leadership

The National Union of Students Spring Conference takes place from 22-25 April. You might think that students had nothing to fight for this year, with no national demonstration against student loans or the poll tax.

NUS did little to fight the Gulf war. Large numbers of students were active in anti-war groups, but the NUS leadership, dominated by the National Organisation of Labour Students (NOLS), refused to participate in the Committee to Stop War in the Gulf.

NOLS were however forced into activity by individual colleges. This has happened time and again – NUS has been forced to take action by student militancy over loans and the poll tax. Students played an important role in defeating the poll tax, but there has been little

action nationally, despite a policy against payment, collection and implementation. Stephen Twigg, NUS President, proclaimed that he was going to pay the poll tax.

NOLS are in crisis. Given their failure to submit election nominations, Liberals could now win more places on the NUS National Executive. NOLS are campaigning for the elections to be re-held.

Palestine will again be debated at the Conference. 'Return', an anti-Zionist publication which defends the right of Palestinians to return to their homeland, was banned by the NUS President without a vote. This censorship was endorsed by Socialist Organiser's front, Left Unity.

The debate is an important one, with a real possibility of victory for motions that support a democratic, secular Pales-

tine such as those submitted by the General Union of Palestinian Students.

Legislation attacking lesbian and gay rights – Clause 25 and Paragraph 16 – is also to be discussed. Motions condemning these attacks will be agreed by large majorities, but a commitment to take action is necessary.

NUS reform will be another major discussion. The important issue here is the maintenance of NUS winter conference – twice yearly conferences are a democratic gain which has long been under attack by NOLS.

This will be an important conference for NUS. Delegates should support those candidates that consistently defend union democracy and fight for action around both lesbian and gay rights and Palestinian self-determination.

Andrew Berry



Putting your health on the market

Amid the muffled shrieks of a few early casualties and victims, and in a fog of confusion, the Tories' detested NHS 'reforms' set sail on April 1.

The changes in the NHS & Community Care Act abandon any attempt at planning of services, resorting instead to an untried Thatcherite notion of an 'internal market' in which authorities will be reduced to seeking to buy treatment for patients in their area.

The health authorities will be able to go shopping to local directly-managed hospitals, and further afield, to the new 'opted-out' hospitals, politely termed Self Governing Trusts, or even to the private

sector. However the NHS as a whole will have no extra money, and the amounts available for patient care will be reduced by the huge increase in administrative costs.

The preparation for the new Act has already caused havoc, with dozens of health authorities cutting back services to eliminate deficits. However some health authorities have fallen far short of balancing their books, and have been permitted to start the new financial year with substantial cash deficits.

Indeed, ministers remain in two minds about whether the NHS Act is the most radical (and unpopular!) reform ever imposed on the health service, or whether it represents a barely perceptible change.

As the launch date has neared, most of the more far-reaching changes have been toned down, or delayed:

- The community care

proposals have been shelved for two years – until after the next election.

- The changes in funding to health authorities have been phased over several years.

- The competition between hospitals for shares of the internal market has been restrained by pleas from ministers and top

hospitals face high overhead costs that must now be reflected in the prices charged for patients from outside health authorities: already Bloomsbury health authority, is complaining that health authorities are breaking the rules, and diverting patients away from Bloomsbury to lower-priced treatment. The pressure to do this kind of thing will increase as the year goes on.

Outside London, health authorities and Trusts face a host of problems. In Oxford region huge cash shortfalls continue to force new cutbacks, with Oxford itself cutting £2.2m and Kettering £1.7m. The Kettering cuts include a ban on any sterilisation operations for women, while health chiefs are refusing to pay for any patients to be referred to other districts.

The effects of these and other cutbacks on hospitals and trusts have not yet been calculated: nor have the effects of increased administrative costs.

Meanwhile the replacement of planning with unenforceable mock 'business-style' contracts for care leaves a strong possibility that gaps will be left in services, and that hospitals will focus resources on 'profitable' acute services, to the detriment of less lucrative but essential care of the elderly, people with mental illness and the long-term sick.

John Lister

HANDS OFF OUR NHS

The campaign fighting hospital opt-outs.
446, Uxbridge Rd,
London W12 0NS. Tel
081-749-2525



Gambling: Health secretary Waldegrave

NHS chiefs for a year in which districts and regions make no substantial changes.

- The potentially chaotic launch of GP practices free to spend their own budgets has been restricted by lack of interest: only 306 GP practices out of the 950, covering 3% of the population, have been given the go-ahead.

- And the list of opting out hospitals has been whittled down to the minimum required to save political face – from a first list of 200 applicants to just 56 Trusts on April 1 (a top secret report from City consultants warned Waldegrave that only 14 of the 65 eventual applicants were financially viable).

Despite these soothing measures, many managers admit that it will be difficult to preserve a 'steady state' and avoid new damaging cuts in service.

The problems will be severe in London, where

Fortnightly Socialist Outlook out on May Day!



Not just another left paper: Socialist Outlook will be something special!

The first issue of the new-style Socialist Outlook fortnightly comes out on 1 May. Until now, Socialist Outlook has appeared as a monthly journal. Why are we making this change? Aren't there enough left-wing papers already?

The first answer is that a newspaper can reach a far wider audience than a monthly journal. During the Gulf war we produced several newspaper-style broadsheets which sold well. We gained new supporters and subscriptions as a result of the sale of the broadsheets. That experience confirmed that at a demonstration or a labour movement meeting a newspaper could sell better than a £1 journal.

In fact, since Socialist Outlook was launched our editorial board never had the view that a magazine was enough. For several years our supporters sold the fortnightly paper Labour Briefing, until last autumn we parted company with Briefing over what we thought was its too-narrow Labour Party orientation. We needed a new paper which could reach out to labour movement and campaign activists, and especially young people. And our experience selling newspaper-style broadsheets showed we were right.

Some readers have expressed the fear that Socialist Outlook will lose its ability to analyse issues in depth with the format change. We promise you it won't. Every few issues there will be a special 4 or 8 page theoretical sup-

socialist OUTLOOK

plement – 'Theory and Practice', which will usually contain one, or at most two long theoretical articles. In addition, in our paper we will maintain our commitment to having some longer analytical articles in each issue.

But of course the decisive test of any political paper or journal is not the format, but whether it has something worthwhile to say. We are publishing a new paper because we think none of the existing far left papers, or the political projects they represent, are adequate to the tasks which socialists face today. How do we see ourselves as different?

First our commitment to internationalism. This is not just a matter of having regular international coverage, but of being directly linked to the work of other revolutionary socialists world-wide. Through our links with the Fourth International, we will regularly publish articles from its supporters in more than 40 countries.

Our second concern, as opposed to many left papers, is the need to build unity in action of the left in the labour movement and left campaigns. We think that Marxist ideas have to be

fought for; but not at the expense of the kind of strident sectarianism and self-imposed isolation characteristic of so much of the far left. Socialist Outlook supports the Socialist Movement and its constituent organisations – Women for Socialism, Labour Party Socialists and the Socialist Movement Trade Union Committee. We welcome the decision to publish their new paper Socialist. We are not in competition with this paper, which serves a very different purpose to our own. We shall encourage our supporters to read it and sell it.

Third, we think that the struggles and movements of the specially oppressed – of women, black people, lesbians and gay men – are part of the struggle for socialism and not a 'diversion' from it. Our paper will champion the self-organisation of the specially oppressed.

Most of all our paper will fight for Marxist ideas, and the central Marxist conception that the international working class movement is the key to socialist change. The near-collapse of international Stalinism, and the weakening of the Soviet Union have shaken the illusions that the 'socialist

camp' was the instrument for socialist transformation on a world scale. Socialist Outlook will be a paper which reports in detail the developments in the workers movement internationally.

Our first issue will be published at a time of enormous change in the world situation and in British politics. It is a time when traditional political ideas

are shaken up and people's ideas can change rapidly. There are enormous opportunities for winning new people to the ideas of Marxism.

Our project is an ambitious one. We have already mobilised a lot of resources to make it a success. New computers, fax machines, and design and layout equipment have been bought. We have recruited a team of full-time and part-time workers. An enormous effort is going into the design and production of the paper to make it as professional as possible.

But all that will count for little without the help of our supporters and readers. We think our paper can help to break the stranglehold of the right wing on the Labour Party and trade unions. We think it can help to build a new kind of left. But to do that we need you to read and sell our paper, and to help finance it. In particular it will help us enormously if our regular readers subscribe to the paper. It will help us if you take a few copies to sell to friends. Most of all it will help us if you send us a donation, no matter how small, to make this project a success.

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Bush Backs Saddam – from front page

short almost anything they wanted to, short of chemical weapons which Bush has hinted might be regarded as just too embarrassing for the USA to tolerate.

The US and British governments, having shown in the run-up to the war just how they can manipulate and bribe their way through the United Nations, have now agreed – with the USSR and China in compliance – to hide behind the limitations of the UN mandate to wage war. They just hope Saddam will get on quickly with the suppression of the Kurds, to rid them of a public embarrassment and pave the way for 'business as usual' with the Baathists.

Socialists must combat the illusions of those who still believe that somehow the US troops or the United Nations can now be used to benefit those fighting Saddam Hussein. In fact they are an extra obstacle to those fighting for national liberation or for democratic and socialist revolutionary goals in the Gulf.

This situation calls for a fight in Britain for the maximum solidarity with the Kurds in struggle against Saddam, against the brutal Turkish regime, and against the repression of the Iranian government: but a vital part of this must be the demand for the withdrawal of imperialist troops from the Gulf.