NHS cuts, local government spending cuts, benefits cuts, pension cuts, lower wages, food prices up, fuel bills up, Council Tax up…

Throughout much of mainland Europe and in the USA, debt-laden states are axing jobs and services. Here, literally hundreds of campaigns, lobbies, rallies, involving thousands of people are underway at any one time. The campaigning is as wide-ranging as the cuts themselves. From swim-ins to e-petitions and rallies outside parliament to reverse an endless chain of individual cuts. From court battles to halt library closures to appeals against local councils’ attempts to widen the council tax net.

With NHS budget cuts now well underway, the campaign and 25,000 strong protest to save Latcham hospital is only one of many similar protests country-wide. Alongside all this activity, workers facing wage cuts and job losses are also remembering the strike weapon. Last November clerical and admin workers at Mid-Yorkshire NHS Trust were told of pay cuts and 74 redundancies. At the end of January they went on strike and burnt the dismissal letters outside the Trust headquarters in Wakefield. It’ll be interesting to hear what comes of this because it’s difficult for a small group of workers to win in isolation and the unions are busy keeping a lid on things. While clerical workers were busy discussing notices the unions were ‘considering’ a strike ballot of nurses in the same hospitals.

Popular anger is reaching powder kegs proportions. Labour and the TUC are flagging up the risk of civil disturbance “as large swatches of our communities, especially young men, face long periods of unemployment and increasingly little hope of a return as the economy continues to falter”. (From open letter of Newcastle, Liverpool and Sheffield (Labour) council leaders issued in a briefing by the Northern TUC 28 January.) The last thing the Labour Party wants is civil disturbance. That might disturb the parliamentary game and Labour’s chances of winning next time round. Sadly, as we saw a couple of years ago, rioting is an expression of anger and indignation from those the system is permanently excluding but it is neither a challenge to the system’s values nor a pointer to the way to fight back.

Meanwhile battles against the cuts remain fragmented and localised. Partly this is due to the government’s calculated policy of pushing as much of the awesomeness as possible onto local councils. This year the situation is worse than ever. With diminishing cash from central government, the official auditors reckon at least 12% of councils are “at an ongoing risk of being unable to balance their budgets”. Not surprising then that so many battles begin as local ones. So far this is how most have remained: isolated, self-contained, only coming together for the TUC’s highly regimented street processions. But with endless announcements of ‘austerity’ lasting years for to come the gravity of the situation is hitting home. The unions may have honed their ‘campaigning skills’ and turned themselves into anti-cuts campaigners but everyone knows both Labour and the TUC accept the need for cuts. That’s like fighting with one hand behind your back.

Within the localities people are starting to come together in the search for more effective ways of resisting. That means organising collectively on the ground. There is some evidence that this is beginning to happen. In Stocksbridge, South Yorkshire for example, we hear ‘there have been two meetings from which a local assembly is emerging: Open to anyone, now independent of the TUC. And there’s been more and more people from anywhere that might provide some sort of civilised let-up to the increasing bleakness of daily existence. One of the first acts of the Bolsheviks during the October Revolution was to make all libraries free to everyone. During the terrible early years of the civil war when the working class faced starvation and military intervention from fourteen capitalist powers, theatres were kept open and now ones were opened. Compare that to Newcastle Council’s philistinism today and there’s no more need for let-up than in the North East.

The region tops the UK unemployment league at 9.1%. The North East heads the personal debt table with 34% of debt for every pound earned. According to ‘carers’ reports for 2013 the region has a spike rate of 12.9 in every 100,000 people, the highest in England. (The suicide rate is the second highest per 100,000 — by far the highest in the UK.)

The mainly Labour councils in the region are implementing the cuts and blaming the Tory central government for “deliberately targeting Labour-run councils in the North East”. This quote is from Paul Watson, leader of Sunderland Council 15 January. It’s the typical Labour Party and union alibi that gives them no compunction in admitting “We will be concentrating on doing the things we have to do by law. Other things will suffer, free services that we don’t have to, by law, supply.” (Sunderland Echo, “Sunderland Council Cuts Top 100 million”, 15.1.13)

No better example of how they’re all in it together. Even if some local councillors don’t agree with the cuts, they have no alternative but to impose them. Councils are the local administration of the State and they have to follow the agenda of the ruling class.
The Problem is the Global Capitalist Crisis ...

World Unemployment Rising Fast

The UN's International Labour Organization (ILO) says the number of jobless people in the world rose by 4.6 million to 370 million and is rising. The worst affected were youth; nearly 13% of the under 24s were unemployed. Global unemployment is set to rise. The report - Global Employment Trends 2013 - said that 6% of the world's workforce were without a job in 2012. It revealed that long-term unemployment was also growing, pointing out that a third of Europe's jobless had been without work for more than a year. Many were giving up, with the report estimating that 39 million people had withdrawn from the labour market. This is borne out in the US. Over the past four years Exim Bank, the US export credit guarantee agency, has seen an export boom. 'But that might seem good news for the American economy, there is a crucial catch: as far as 2012, the number of jobs backing these Exim-supported exports has fallen by 12 percent. In 2012 Exim-supported companies have been selling more widgets (such as planes) and services (such as engineering advice), helping them to post profits, and the economy to grow. But fewer workers were needed to produce these sales, even - or especially - in sectors which are booming (such as engineering design).'

[That last quote is from the Financial Times 13 December 2012]

The Answers to Join Together and Fight a Better World

A new world IS possible but the way forward is not to ape the defeatists of the 70s and 80s, so beloved of those who want to return to "Old Labour". Nor should we fooled by nationalist sentiment fostered by the media and played on by politicians. The rich, the bosses, the ruling classes - in fact we live in an increasingly class-divided society. On the one hand capitalist propaganda pits workers against each other. It is also a realisation that the unimaginable sums gambled were simply based on fictitious capital and that the financial bubble burst speculators be the only "solved" by the destruction of world war.

The regionalisation of capital has been a problem for centuries. As our comrades in Germany and Greece put it in a common leaflet they distributed in both countries recently:

Workers in Germany and elsewhere have been forced to the living standard of the Greek population is responsible for the world crisis. Vic-to, people in Greece will be spun a tale of the German population is the result of their misery. It is obvious - the ruling classes of our two countries are trying to divide us. It is only by staying together each other. ... The idea of the "nation" is their most important weapon in their game. It hides the class character of the capitalist system and weakens the working class. In our country's development. The difference between Mexico and Brazil has to do with the relocation of industrial plants to Mexico as 'one of the pillars' of the "debt mountain (although there economic crisis did not spring from economic crisis). But the 'all in it together' propaganda does not hold water. The present economic crisis did not spring from the debt mountain (although there were plenty of greedy bankers). The debt mountain stems from the longer-term crisis in capitalist production and cannot be solved. Somehow or other capital has to find a way of wiping out its debts, reviving the rate of profit and starting again with new round of accumulation. What the pundits don't tell us is that the crisis of the 1930s was not only eventually "solved" by the destruction of world war. This possibility may seem far-fetched. But think about how the world is shaping. Imperialism is an ever present threat. Even the race between China and the West to secure raw materials and farm land in Africa, for instance, is more than a repeat of the pre-first world war scramble for that continent. Although most of the world's leaders would prefer to avoid the competitive currency devaluations and trade wars that preceded the last world war, this is just what is happening again today. This is partly due to the billions of dollars, pounds and euros that have been slid onto the balance sheets of the biggest banks, partly due to international currency speculation, but also a result of the sharpening rivalry between states for their exports to "remain competitive". It's just because just about every country is engaged in a race between human beings. The fact is that all these crises are a spin-off from capitalism's insatiable drive for profit a threat to civilised life on earth.

Capitalism is no abstract theory; it translates directly into the daily reality of exploitation, poverty and unemployment. Instead of new technology bringing a more comfortable life and shorter working day with every crisis that seems good news for the American economy, there is a crucial catch: as far as 2012, the number of jobs backing these Exim-supported exports has fallen by 12 percent. In 2012 Exim-supported companies have been selling more widgets (such as planes) and services (such as engineering advice), helping them to post profits, and the economy to grow. But fewer workers were needed to produce these sales, even - or especially - in sectors which are booming (such as engineering design).'

Unprecedented Social Devastation

Global Capitalist Crisis...

...The richest tenth of the population have seen much bigger proportional cuts in their real incomes and living standards than the poorest 10% - while the rich 1% - have continued to experience a boom of the kind never seen before in capitalist history. Capitalist crisis is no abstract theory; it translates directly into the daily reality of exploitation, poverty and unemployment. Instead of new technology bringing a more comfortable life and shorter working day with every crisis that seems good news for the American economy, there is a crucial catch: as far as 2012, the number of jobs backing these Exim-supported exports has fallen by 12 percent. In 2012 Exim-supported companies have been selling more widgets (such as planes) and services (such as engineering advice), helping them to post profits, and the economy to grow. But fewer workers were needed to produce these sales, even - or especially - in sectors which are booming (such as engineering design).

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All In It Together?

Despite the reality of globalisation, capital still uses all sorts of national interest arguments. Politicians and Trade Unions all sing from this nationalist hymn sheet but the reality is that far from being bound by common national interests, capitalism only produces ever-more divided societies of rich and poor. The USA, the world's most powerful economy is a good illustration. The richest 1% of Americans now hold 25% of the country's wealth. Nobel Prize winning US economist Joseph Stiglitz, speaking in Davos, said this was a result of the top 1% seeing their wealth double since 1980. By contrast, he said that the median income level in the US had not changed since the early 1990s. The UK picture is similar. Over the last decade, the poorest tenth of the population have, on average, seen a fall in their incomes due to the falling rate of wages. And if you think UK income distribution is a different league to the rest of the world, just look at the kinds of stories politicians talk about the need for the "UK to remain competitive.

Nothing could be plainer. In the rivalry for "increased competitiveness" between states there are fewer and fewer legal, humanitarian or moral barriers to the race to the bottom in wage rates. And if you think UK income distribution is a different league to the rest of the world, just look at the kinds of stories politicians talk about the need for the "UK to remain competitive.