

# ‘Unions and socialism to blame for deficit’ - rants Glenn Beck

Republicans and Democrats in the US Congress recently agreed an eleventh hour deal to slash a massive \$38 billion from federal government spending, mainly on public services and welfare. These are the largest domestic spending cuts in US history and represent a victory for the right-wing Republicans, who won control of the House of Representatives last November. The trillion dollar bailout to big business has led to the government's budget deficit but as RAMY KHALIL, Socialist Alternative (CWI supporters in the US) explains, the right wing has blamed trade unions and socialists instead.

Glenn Beck, a notorious right-wing media pundit in the US, recently launched an attack on the Committee for a Workers' International (CWI - the international socialist organisation to which the Socialist Party is affiliated) in Britain and Ireland. It was part of a tirade against trade unionists and workers in the US.

On a 5 April TV programme - 'Getting our fiscal house in order' - Beck does one of his typical rants, this time blaming unions and socialism for causing governmental budget deficits!

He denounces the role that socialist parties are playing in rallying workers to fight for their rights

around the world, including the Irish Socialist Party as well as the "Socialist Party of the UK". These parties are sections of the CWI.

Five minutes and 40 seconds into the show, a very brief video of a Socialist Alternative leader Philip Locker appears where he is leading chants on a megaphone at a Wisconsin labour rally.

At the 8:08 mark in the show, Beck attacks the article, 'Greece - Capitalist austerity must be met with workers' action' from the website of the Socialist Party (CWI Ireland). At the 8:33 mark, he attacks the article, 'Socialists on the 26 March demonstration' from the website of the Socialist Party of England and Wales.

If right-wing big shots like Glenn Beck are viciously attacking the labour movement and socialists, specifically our organisation, then we

must be doing something right!

Beck draws links between the increasing general strikes in Europe, the revolutions in the Middle East, and the growing labour protests in the US: "Workers of the world unite!" he declares sarcastically, expressing fear that these growing protests pose a global threat to the capitalist system. This is one of the few times when he is actually right about something!

Beck has joined the resounding media chorus blaming government budget deficits on workers, unions, and socialists who are fighting for basic economic necessities for workers. The true blame, however, belongs to the anarchic, profit-driven capitalist system and the system's business and political leaders.

The bailouts came at the expense of working class and middle class

taxpayers in order to save the 'free-market' capitalist system, which had utterly failed and ushered in the worst economic crisis since the Great Depression.

In the face of Beck's 5 April call for government investigations into the activities of socialists - which is completely undemocratic - we in Socialist Alternative will not compromise our principles or conceal our socialist views.

We will continue to patiently explain the undeniable logic that public ownership of banks and corporations and a democratically planned, worker-controlled economy is the only solution to the economic crises which are unavoidable under capitalism.

**Read article in full on  
www.socialistworld.net**

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## Fast news

### NoW admit it

The News of the World has finally admitted what the whole world knew - that phone hacking was far more widespread within that organisation than had been uncovered by the first police investigation.

It is a sign of how threatened they are by the latest investigation that they have issued a public apology and set up a compensation fund in an attempt to buy off the celebrities and politicians who are suing them.

Former Labour minister John Prescott has called for News International's (NI) takeover of satellite broadcasting company BSkyB to be suspended while the case is ongoing; no doubt the prospect of the deal being endangered played a big part in NI's admission and the attempt to draw a line under the affair.

Hilariously, NI claims the responsibility for uncovering the latest evidence. On one level this is true - they did suddenly 'find' an email server which contained thousands of emails. Giving evidence in the perjury trial of Scottish socialist Tommy Sheridan, the NoW's former editor and ex-Cameron spin doctor, Andy Coulson, and the paper's former Scottish editor, Bob Bird, claimed that these emails had been lost when they had been transferred to Mumbai. Such a scarcely believable claim should be subject to a perjury investigation but it appears that there has been collusion between NI and the police, both north and south of the border.

**Ken Douglas**

### Rigged bonus

The explosion on the Deepwater Horizon oil rig in the Gulf of Mexico last April killed eleven workers, including nine Transocean employees, the company that owned the rig.

The subsequent oil spill was the worst in US history, gushing millions of gallons into the Gulf and causing an ecological disaster. In January this year, President Obama's National Commission on the BP Deepwater Horizon Oil Spill released a report blaming the accident on BP, Halliburton and Transocean (see The Socialist, issue 653).

Is it therefore surprising that Transocean president Steven Newman has seen his salary recently increase by \$200,000 to £1.1 million, receive a bonus of \$374,000 and this on top of the \$5.4 million he was paid for joining Transocean? No!

**Rob Bishop**

### Cost analysis

A study by 200 experts calculates that nitrogen pollution from capitalist agriculture and industry is costing £280 billion a year (£650 per person) and shortening by six months the life of every person in Europe.

Rather than simply pressing for 'lifestyle changes' to address environmental problems, the major issue to tackle is food production, power generation and transport. These are areas of economic activity, which under capitalism, are driven by the need to maximise profit rather than to meet human needs in a sustainable and environmentally friendly way.

## Banking giants avoid punishment

**Simon Carter**

When share prices in Barclays Bank and Royal Bank of Scotland rose by over 3% last week, the markets made it clear that the Banking Commission's interim report into the 2008 financial meltdown is, in fact, a paper tiger.

Workers suffering the effects of cuts in jobs and services will be extremely disappointed by the lack of regulation of the banks, like Barclays, who pay little in taxes.

The commission's chair, Sir John Vickers, attempted to assuage a sceptical public by saying: "In no sense at all are these half measures ... these are absolutely far-reaching reforms."

Instead of the bottomless bailouts of billions of pounds in public funds to the bust banks, the commission meekly suggested that banks hold more cash in reserve. The report recommended holding 10% - as opposed to 7% as set out in new European regulations - but contradicted this by saying it wasn't proposing that UK investment banks should hold higher capital ratios than their international rivals.

Holding more reserves will mean less profits and banks will inevitably seek to recoup any losses through higher charges to customers on loans, overdrafts and mortgages.

Even the mild reform of separat-



ing the retail and investment arms of the banks was kicked into touch with Vickers telling the BBC that "total separation is not necessary".

Like previous inquiries into bankers' bonuses and financial chicanery it's clear that the establishment is not going to bite the hand that feeds it.

The Tory Party is inextricably linked to finance capital and its interests, receiving over 50% of its funding from the City last year.

'Being rewarded for failure' appears to be the bankers' leitmotif and, as usual, it's the ordinary punters who are picking up the tab through huge job losses, massive cuts in services and declining living standards.

Instead of bailouts, a workers' government would nationalise, under democratic control and management, the big banks etc, as part of a plan of production, to guarantee cheap loans and credit to the public and small businesses.

## Jarrow jobs march gains momentum

**Paul Callanan**

Youth Fight for Jobs national organiser

Support from trade unions for the Jarrow march for jobs (initiated by campaign group Youth Fight for Jobs) has taken off. Thanks to donations from trade unions and activists, including a fantastic £1,000 from the Fire Brigades Union and a £1,000 personal donation from FBU general secretary Matt Wrack, and £500 from a Unite branch, we have broken through the £3,000 mark on the 'Jarrow-ometer'.

At a meeting in Walthamstow, east London, RMT transport union president Alex Gordon announced that his union's executive committee has backed the march unanimously. The RMT also wants to send people on the march. The Waltham Forest anti-cuts union plans to sponsor a marcher for £500. 20 MPs now back the Early Day motion in support of the march.

Youth unemployment currently stands at about one in five. Young people today are the first in generations who face lower living standards than their parents.

With huge attacks on education and public sector jobs being made by the Con-Dem government, young people need to link up with workers in the trade unions to build the biggest movement this country

has ever seen.

This October, young people will be out on the streets to say; we won't be a lost generation! We will fight for jobs and education!

The Jarrow march for jobs will be key rallying point for the anti-cuts movement.

YFJ is calling on trade unions to help the march financially by sponsoring a marcher and/or supporting and helping to organise a local demonstration/meeting/rally in support of and/or during the event.

**See www.jarrow2london2011.wordpress.com and www.youthfightforjobs.com for model trade union resolutions and more information.**



photo Paul Mattsson