

London – a tale of two cities

London by numbers Them



- 36 billionaires live in London
- £76bn combined wealth of London's top 10 billionaires
- £1.2m average price of prime central London property
- £346k London's average property price, £100k more than south east
- 273 wealth of London's richest 10% is 273 times that of poorest 10%
- 3.2% average increase in London house prices, national average fell 0.3%
- 57% expected 5yr growth in UK luxury goods market, with London at its centre
- £18m expected price for a painting at London's Christies in February



and Us

- 9.9% London unemployment rate, compared to 8.4% nationally
- 11.3% London's average council cuts, 9.9% is national average
- £5bn planned in cuts to London's health services budget
- 8 of the worst 20 constituencies for child poverty, 8 are in London
- 32% increase in number sleeping rough in London since 2010
- 56 number of social rented homes started in 2011
- 2.5 in October 2011 a two-bed flat in London cost 2.5 times the national average
- 44% increase in single bus fare with Oyster since 2008

"We are the 99%" expresses the raw feeling that we are very far from 'all in this together'. The world is made up of 'them' and 'us'. We face the pain while the rich get richer. Nowhere in the western world is this more true than in London

The Olympics will be staged in London this summer. The Con-Dems and their big business friends expect that the Games and the Queen's Golden Jubilee in June will bring tourists, consumer spending and profits. But perhaps most importantly, they hope they will deflect the attention of London's working and middle class from the severe austerity and

If any one slogan could sum up the elemental anger of the worldwide protests of 2011 it must be "We are the 99%". It expresses the raw feeling that we are very far from 'all in this together'. The world is made up of 'them' and 'us'. We face the pain while the rich get richer. Nowhere in the western world is this more true than in London.

The Financial Times (FT) began 2012 declaring that the gap between London and the rest of the country has widened, creating an impression of Londoners doing quite nicely while the rest of the country suffers. But the idea of a prosperous south only applies to a tiny minority.

The FT says that between 2007 and 2010 London's economic output per head grew to 171% of the national average. Employment is up by 2.9% and house prices fell by only 4.2% since March 2008, compared to 24% in the north east.

The Con-Dems intend to build up London as a business and financial centre, at the expense of the 'north'. The vast majority of their infrastructure investment is planned in London and the south east. This is in part what lies behind the plan for 'HS2' high speed rail – to draw business into London.

Tory mayor Boris Johnson argues for the abolition of the 50% top tax rate in order to show that London is "open for business". He is already courting French bankers who he hopes will flee President Sarkozy's tax on financial transactions.

Rich List compiler Forbes explains: "It is not stretching a point too far to say that for the super-rich, London is a tax haven."

Inequality

However, this is only one side of the story. In 2008-09 London manufacturing output fell by 20% and 5,000 jobs were lost. Only 2.8% of London's workforce is employed in production, the lowest in the country.

London faces the impact of the eurozone crisis on the City, a key factor in London's economic fortunes this year. Government intervention in the form of bank bailouts and quantitative easing staved off the worst of the 2008 financial crisis. But nearly 30,000 City jobs are estimated to have been lost in the past year, and the impact of the eurozone crisis could be immense.

Now the massive public sector cuts mean thousands of jobs lost and tens of thousands of Londoners suffering significant pay reductions.

In any case, any figures about prosperity in London are distorted by the presence of some of the richest people in the world. London is a city of enormous disparities between rich and poor, the most unequal city in the developed world. "Billionaires Row", home to the likes of Britain's richest man, steel magnate Lakshmi Mittal, leads straight into Notting Hill and

some of the poorest wards. Canary Wharf gleams and gloats in the middle of Tower Hamlets, one of the poorest places in the country with 1930s-level overcrowding in some cases.

Young people

The riots in the summer were an outburst of desperation and anger, hatred of police repression and of the poverty young people in London experience in the face of such wealth.

The Guardian's Reading the Riots research, which interviewed people who had been involved in the riots, shows this graphically. One described an incident when he was 12 years old, and was thrown into a police van, handcuffed, beaten, kicked, spat on and called "nigger" and "black bastard". "These are the type of things that if you ask some people on the other side of the fence or from a posher community or people that have never been in trouble, if you said to them: 'Oh, I got stitched up by the police with a knife, they are saying: 'No, police don't do things like that.' Well, believe me, that is what happened."

The destruction of youth clubs, children and young people's services, were highlighted as blights on the lives of young people. The Stephen Lawrence case has lifted the lid on lives so alienated that they are filled with horrific racism and routine brutality and violence.

The response of New Labour is woeeful, such as David Lammy, MP for Tottenham, declaring that the riots could be prevented by smacking children. Many young people in London, crucially from schools and FE colleges as well as universities, took to the streets determinedly in the autumn of 2010 to fight against the tuition fees hike and the abolition of EMA – to fight for a future.

Without a clear working class political alternative that makes an appeal to young people, a programme of investment in

economic meltdown that will actually be the main features of London in 2012. They are hoping to emulate the policy of the Ancient Roman emperors to keep the masses in check. Bread and circuses – but, asks London Socialist Party secretary Paula Mitchell, for ordinary Londoners - where's the bread?

The cuts...

All over London councils, including Labour councils, have been hacking jobs and services. In borough after borough, hundreds of jobs have gone, libraries have closed, community organisations have shut down. Services, especially for the vulnerable, have been obliterated and pay for thousands of workers has been cut.

But this is just the beginning, as councils implement the cuts they voted through in stormy council meetings in 2011. Demonstrations organised by anti-cuts alliances marched to council buildings, flooded town hall public galleries and in some cases stormed council chambers. More cuts will be passed at budget-setting meetings this year.

...and the fightback

2011 was the year when the organised working class entered the stage: with the historic trade union demonstration on 26 March, the strike of 750,000 public sector workers on 30 June and the massive two million-strong public sector strike on 30 November.

But the ability of workers in London to fight to defend their jobs and pay has varied starkly depending on which union they are in. The PCS has launched a serious campaign to defend the civil service. RMT union members on London Underground have won an excellent above-inflation pay deal and are fighting now for decent bonuses during the Olympics.

However, the capacity of workers in local government to fight the



2012 London elections

Councillors, the spineless creatures making these brutal attacks deserve to be punished at the ballot box. Socialist Party members argue for trade unionists, sacked workers and anti-cuts campaigners to stand candidates. But unfortunately, there are no council elections planned in London this year.

Therefore the elections for the Greater London Assembly and mayor are the first opportunity for working class people and trade unionists in London to fight the cuts at the ballot box.

There are three separate parts to the elections: the election of the mayor (two votes in order of preference), 14 constituency candidates (first past the post), and a London-wide top-up list to elect eleven seats by a form of proportional representation (PR). Just 5% of the vote for the list is needed to win a seat.

The mayoral election will see a contest once again between Labour's Ken Livingstone and the current Tory mayor Boris Johnson.

Old Etonian Tory toff Boris has always presented himself as 'not really a politician' and in power has attempted to maintain this persona. He has also attempted to maintain an arms-length relationship with David Cameron and the Tory leadership, in order to court popularity when he has wanted to, for example opposing the cuts in disability benefits, if only in words.

We warned from the start that beneath the buffoonery lies a serious threat. Johnson is supported by the right-wing press and big business as a reliable enforcer of attacks on the working class. Under his watch, stop and search powers have increased, contributing to the hatred of the police, a factor behind the riots.

Johnson fully supports cuts, having brought in £7.6 billion cuts in transport. His populist call for a 1% cut in council tax will mean more cuts. Transport bosses are squaring up for a major showdown with the RMT transport union over massive job cuts after the Olympics. They hope to have a mayor behind them they can rely on.

Hated of the Con-Dem government puts Ken Livingstone ahead of Johnson in the polls. But Livingstone appears willing to squander that lead. He backed Ed Miliband's decision to announce that Labour will not reverse any of the coalition's spending cuts or the public sector

pay freeze if it wins in 2015.

This will lose him the support of many workers and trade unionists, many of whom will also remember his exhortation to RMT members to cross picket lines in a 2006 strike.

However, Livingstone aims to be all things to all people. Despite such statements, he is seen as more left-wing. Many workers will be attracted by his pledge to reduce transport fares by 7% and to introduce a 'living rent', a cap on private sector rents. Many Londoners will grudgingly vote for him in order to defeat Tory Johnson.

The London regions of Labour-supporting trade unions are organising meetings to mobilise members in his support. However, much to the disgust of the bureaucracy, at these meetings members get up to denounce Labour. The idea of trade unionists standing their own candidates for the Assembly goes down very well.

Even where they vote for Ken Livingstone, working and middle class people will be less inclined to support Labour's assembly candidates. As has been shown, London Labour has made it clear it has no intention of doing anything other than continue to pass on Tory cuts.

Trade union challenge

This is why it is such a significant step forward that leading trade unionists have come together to present a serious working class trade union based anti-cuts list for the London Assembly. The Trade Unionist and Socialist Coalition (TUSC) list involves trade union leaders in a personal capacity, each of whom represents thousands of members.

They will stand on a basic programme of opposition to all cuts and privatisation. An appeal produced by leading London trade unionists has now been signed by hundreds of trade unionists (see below).

Many thousands of workers feel that, since Labour's betrayal, they no longer have a political voice. A trade unionist elected to the Greater London Assembly would be a fantastic platform for them.

The TUSC electoral challenge will add to the pressure on the leaders of Labour-supporting unions to break the link with Labour. The Socialist Party hopes that this electoral challenge could be an important step towards the development of a new mass workers' party based on serious trade union forces.

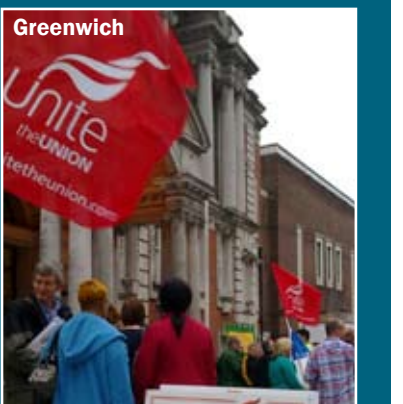
Fighting cuts



photos Paul Mattsson



Lewisham



Waltham Forest



Ealing

TUSC AGAINST CUTS

TUSC is to stand candidates in the greater London election on 3 May to challenge the all-party support for the government's austerity cuts and pay freeze.

A list of candidates will challenge in the 'top up' section of the election and if it wins at least 5% of the vote across the whole of London it could win at least one place on the 25-seat Greater London Assembly.

The coalition has already selected prominent Lon-

don trade union leaders such as Alex Gordon, the national president of the RMT rail and maritime union and Steve Hedley the RMT's London Transport regional organiser, Ian Leahair, the Fire Brigades Union executive committee member for the capital, Joe Simpson, assistant secretary of the Prison Officers' Association and Martin Powell-Davies, who is the London representative on the national committee of the NUT teachers' union.

Many public sector workers who participated in

the 30 November pensions' strike may be moved to vote for this coalition because of the failure of Labour leaders to support the walkout.

Supporting struggle

Labour leaders will also be worried that rank and file union members of Labour affiliated unions could press for their funds to go to TUSC candidates instead of to Labour.

Steve Hedley, whose RMT union was expelled from the Labour Party in 2004 for backing the Scottish Socialist Party, said: "We need candidates who support the ordinary man and woman. TUSC is the only organisation that opposes all cuts, defends pensions and benefits for all working class people. Labour just wants a compliant, silent union movement to hand over its money."

"TUSC will be a voice for all workers and will support trade unions in struggle."

Candidates selected for the TUSC GLA list so far include (in alphabetical order):

- April Ashley, Unison executive council
- Alex Gordon, RMT president
- Steve Hedley, RMT London regional organiser
- Ian Leahair, FBU national executive committee
- Martin Powell-Davies, NUT national executive
- Joe Simpson, POA assistant general secretary

- Jenny Sutton, UCU chair, London regional committee (FE)
 - Nick Wrack, TUSC steering committee member
- There will also be candidates from the CWU postal union and the PCS civil service workers' union.

(All standing in a personal capacity)

See www.tusc.org.uk for more information and to sign the appeal