

**REJECT THE  
AUSTERITY  
LIES**

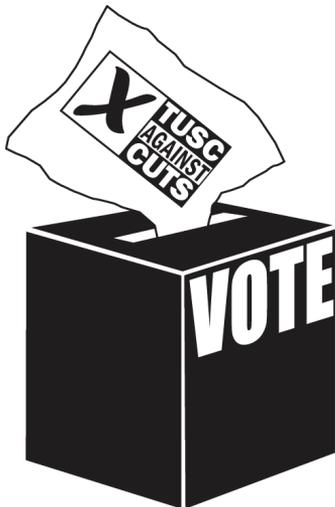
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**TAKE THE WEALTH  
OFF THE 1%**

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**BUILD THE  
SOCIALIST  
FIGHTBACK**

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**Socialist Party  
election manifesto 2015**



**Children are arriving at school hungry, tired, ill and unable to concentrate or learn, as families struggle to provide the basics because of government social and economic policies, a teachers' union claims today.**

**Pupils are coming to classes exhausted from living in cramped and inadequate housing or unwell because their parents cannot take time off to allow them to recuperate at home, says a survey of more than 2,400 teachers for the NASUWT.**

**Teachers report children increasingly come to school without proper clothing or footwear and are unable to pay for activities such as school trips. More and more parents are sent letters for failing to pay for school meals.**

**The Independent 5 April 2015**

## **Meanwhile...**

Next year the world's richest

**1%** will own more than the  
other **99%** according to  
Oxfam

**The world's  
richest people  
see their wealth  
increase by half  
a million dollars  
every minute**

**No wonder more and more of  
us want change**

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**T**he Socialist Party's central message in the 2015 elections is this: **austerity is planned poverty but there is an alternative – a socialist alternative. We are part of the historic Trade Unionist and Socialist Coalition (TUSC) anti-cuts challenge.**

Poverty, homelessness and hunger stalk lives made vulnerable by zero-hour contracts, the bedroom tax, public service cuts, low pay and sky-high housing costs. Capitalism means life is getting harder for most people, desperately so for the poorest, and the establishment parties have no solutions.

Another hung parliament is on the cards, say the pollsters. Five years of Austerity Britain under the Con-Dem government, and Austerity-Lite by Labour with cuts obediently meted out by Labour-led councils, have delivered a historic fragmenting of political loyalties as millions of people seek an alternative to the rotten status quo.

Last year, while the poorest 100,000 children went hungry because of benefit cuts, champagne sales were rising. Sales of fine art have gone up 15% as the world's oligarchs seek out a safe haven for their obscene wealth.

The claim that there aren't the resources for everyone to enjoy a decent and dignified life is a lie. TUSC exposes it and offers an alternative based on harnessing the wealth of society in the interests of all - not just a tiny elite.

Can you be part of the TUSC campaign? TUSC needs working class people to get involved by making a finan-

cial donation, by helping with the many campaign events in your area, and by spreading the word that there is an alternative! See [www.tusc.org.uk](http://www.tusc.org.uk)

**JOIN  
THE  
SOCIALISTS  
TODAY**

**If you agree with what you read here we also hope that you will consider joining the Socialist Party.**

**Go to [socialistparty.org.uk/join](http://socialistparty.org.uk/join), email [join@socialistparty.org.uk](mailto:join@socialistparty.org.uk), text 'join' and your name and postcode to 0776 1818 206 or call 020 8988 8777 for info on becoming a member today.**

# What the Socialist Party stands for:

The Socialist Party fights for socialism – a democratic society run for the needs of all and not the profits of a few. We also oppose every cut, fighting in our day-to-day campaigning for every possible improvement for working class people. Working class people have the potential power to stop the cuts and transform society.

As capitalism dominates the globe, the struggle for genuine socialism must be international. The Socialist Party is part of the Committee for a Workers' International (CWI), a socialist international that organises in over 40 countries.

## **Our demands include:**

### **Public services**

- No to ALL cuts in jobs, pay, public services and benefits. Defend our pensions.
- No to privatisation and the Private Finance Initiative (PFI). Renationalise all privatised utilities and services, with compensation paid only on the basis of proven need.
- Fully fund all services and run them under accountable, democratic committees that include representatives of service workers and users.
- Free, publicly run, good quality

education, available to all at any age. Abolish university tuition fees now and introduce a living grant. No to academies and 'free schools'!

- A socialist NHS to provide for everyone's health needs – free at the point of use and under democratic control. Kick out private contractors!
- Keep council housing publicly owned. For a massive building programme of publicly owned housing, on an environmentally sustainable basis, to provide good quality homes with low rents.

### **Work and income**

- Trade union struggle to increase the minimum wage to £10 an hour without exemptions as a step towards a real living wage. For an annual increase in the minimum wage linked to average earnings.
- All workers, including part-timers, temps, casual and migrant workers to have trade union rates of pay, employment protection, and sickness and holiday rights from day one of employment.
- An immediate 50% increase in the state retirement pension, as a step towards a living pension.
- Reject 'Workfare'. For the right to decent benefits, education, training, or a job, without compulsion.
- Scrap the anti-trade union laws!

For fighting trade unions, democratically controlled by their members. Full-time union officials to be regularly elected and receive no more than a worker's wage. Support the National Shop Stewards Network.

- A maximum 35-hour week with no loss of pay.

## Environment

- Major research and investment into replacing fossil fuels with renewable energy and into ending the problems of early obsolescence and un-recycled waste.
- Public ownership of the energy generating industries. No to nuclear power. No to Trident.
- A democratically planned, low fare, publicly owned transport system, as part of an overall plan against environmental pollution.

## Rights

- Oppose discrimination on the grounds of race, sex, disability, sexuality, age, and all other forms of prejudice.
- Repeal all laws that trample over civil liberties. For the right to protest! End police harassment.
- Defend abortion rights. For a woman's right to choose when and whether to have children.
- For the right to asylum. No to racist immigration laws.

## New workers' party

- For a new mass workers' party drawing together workers, young people and activists from workplace, community, environmental and anti-war campaigns, to provide a fighting, political alternative to the pro-big business parties.
- Trade unions to disaffiliate from the Labour Party now and aid the building of a mass new workers' party! Support the Trade Unionist and Socialist Coalition as an important step towards this.

## Socialism and internationalism

- No to imperialist wars and occupations.
- Tax the super-rich! For a socialist government to take into public ownership the top 150 companies and the banking system that dominate the British economy, and run them under democratic working class control and management. Compensation to be paid only on the basis of proven need.
- A democratic socialist plan of production based on the interests of the overwhelming majority of people, and in a way that safeguards the environment.
- No to the bosses' neoliberal European Union! For a socialist Europe and a socialist world!

# Vote against planned poverty

Tory Chancellor George Osborne talked about a “truly national recovery” when he delivered his latest cuts budget. There’s nothing ‘true’ about it – and it’s certainly not ‘national’. The Joseph Rowntree Foundation estimates that the cuts have taken £182 more per head in the poorest areas of England. ONS figures show that baby boys and girls born in the richest 10% of areas can expect to enjoy a healthy life for around 74 and 71 years respectively. But in the poorest tenth of areas new-borns are condemned to chronic ill-health striking two decades earlier.

Austerity is nothing more than planned poverty for the working class and the 99%. For the super-rich 1%, however, it’s been a feeding frenzy of bailouts, tax cuts, a privatisation bonanza and a fire-sale of workers’ pay and living conditions. On average a chief executive in Britain will take home more in three days than one of their employees can earn in one year.

## **Socialism for the 99% – not just the super-rich**

In 2008 when the world economic crisis triggered the bank collapse and the government rushed in to bail out the banks we pointed out that it wasn’t genuine nationalisation under democratic working class control and management that took place. But it was a form of social-

ism – for the rich. A need was identified and the resources of society were gathered together to meet that need – of the banks. Almost a trillion pounds was poured into the banks.

But when it’s our jobs, homes and services that are in need we are told the cupboard is bare. The Socialist Party says it doesn’t have to be like this – it’s just the wealth isn’t in the hands of the majority to be planned to meet all our needs.

Socialist democratic public ownership would mean we could get rid of the spivs and the speculators in the banking system who hold the working class to ransom. We could run the banks in the interests of the majority. The number of evictions is at the highest rate on record – a socialist banking system could help those struggling to pay mortgages by converting them to affordable mortgages or rents. Cheap loans could help struggling small businesses. And cheap finance would be useful for the much-needed house-building programme.

If this was part of a democratic socialist plan for the economy, taking the major industries, corporations and utilities into public ownership, you can start to see how some of the poverty and inequality could disappear.

There is enough wealth to ensure everyone has a life of dignity – a decent life. Working class people don’t ask for much. A home, a job for those who can work or an income you can live on for those who can’t. A holiday, a health service for when you’re sick, a quality education for all. But under capitalism this is impossible today.

OBR figures reveal that George Osborne's plans for a balanced budget by 2020 rely on household debt as a share of household income rising by almost £1 trillion. Unsecured debt as a share of household income is set to rise to 55%. In the period that led to the economic crisis the rate was 44%.

The Tories are attempting to shift the debt off the government books and onto the individual in the form of credit card debt, Wonga-type debt, store cards and mortgages. Meanwhile household incomes are set to rise by around a quarter of that figure.

For workers, the basis of the capitalist system is that you work and earn a living. For the capitalists it is about maximising profits which they do by exploiting us. Historically the capitalists also developed production by investing in it. Investment is now at a historic low. The bankruptcy of the capitalist system and its inability to offer any way forward for the 99% is clear.

## Labour

The Labour Party was founded by the trade unions over a century ago, in order to give a political voice to the organised working class. It has now completely degenerated and is another capitalist party. In January Labour MPs filed into the chamber to vote for £30 billion of extra cuts over the next three years. Only five of them voted against.

Far from being the voice of workers, Labour are collaborators in Tory cuts. Labour councils have passed on Tory cuts across the country.

Despite protests at town halls across

the country, Labour councillors claim there is support for their actions based on the votes they have received. This is not true but it is a warning. If Labour receives the most votes and leads the next government, they will claim a mandate to make cuts.

## Socialist struggle

In Seattle, city councillor Kshama Sawant shows what happens when socialists win elections. She is a member of Socialist Alternative, co-thinkers of the Socialist Party in the US. Her election campaign took up the demand for a \$15 an hour minimum wage that fast food workers and other campaigners had started to popularise.

Kshama's election meant this struggle, taken up by unions and the 15Now campaign, had a determined and reliable representative in the council chamber where legislation is passed. Her presence revealed that it was the Democratic Party in that city who brought the interests of big business to the table, fighting on the bosses' behalf for delays in implementation of \$15 and for tips to be included, for example. As a result of tireless campaigning of activists, strikes of workers and also of Kshama's role in the city council, \$15 is becoming a reality in Seattle.

Labour puts forward a minimum wage demand for £8 an hour by 2020 which equates to a miserly rise of 25p a year. It shows again that Labour puts the interests of low-paying bosses first, like the Tories and Lib Dems.

Look at the huge crisis facing humanity in terms of climate change

and environmental degradation. The capitalist world powers meet every year to discuss it but come up with almost nothing. None are willing to take action to curb the polluting by big business. There are no market solutions. But socialist governments would be able to cooperate and incorporate the needs of the environment and the people into a democratic socialist plan.

The Socialist Party fights for every improvement to the lives of workers and all who suffer under capitalism. But we recognise that it is an unequal system based on exploitation in the interest of the super-rich 1%. It will never allow permanent or lasting reforms. Ending austerity means ending capitalism. Transforming the world along socialist lines would allow society to democratically plan how to use the world's resources to provide everyone with a decent life and to meet the needs of the planet.

**That's something worth fighting for – and to do that we need you. Join the socialists!**

### Things could be different

In 2013 the Economist ran a feature on tax havens but admitted that: "Nobody really knows how much money is stashed away: estimates vary from way below to way above \$20 trillion." And we won't know what money is out there until the working class gains access to the secretive accounts of big business.

But we know there are vast sums out there. 2014's Sunday Times Rich List found that Britain's richest 1,000 people are wealthier than ever. They have a combined fortune of £518.975 billion. Mean-

while a million people had to queue at food banks, many of them because their employers did not pay them enough to feed their families.

In January, the Tories proposed another £30 billion of cuts over the next three years. Ukip has identified £35 billion of cuts a year. But the top five UK entries to the 2015 Forbes rich list have a combined wealth of £35 billion. Taking the wealth off the 1%, or even the 0.001%, could end all austerity today.

A democratic socialist plan for the economy would open the way to eliminating poverty, unemployment and want. Under capitalism there is enormous waste. Look at the human and material resources that are poured into nuclear weapons, for example. The annual operating costs of the Trident programme are well over £2 billion. Replacement will cost at least £100 billion. A socialist government would invest that technology and finance into solving humanity's problems.

### Education

Young people have suffered under this vicious Tory-Liberal Coalition. In the autumn of 2010 college students protested in their thousands against the cold cruelty of the ending of the Education Maintenance Allowance payments of up to £30 a week for 16 and 17 year old students. To restore it is estimated to cost a mere £680 million.

The Con-Dems trebled tuition fees to £9,000 so going to university leads to tens of thousands of pounds of debt for all but the very rich. However, the wealth exists to fully fund high-quality free education - far

# Corporate Watch has unearthed some interesting figures on privatised utilities

	Energy	 Water	Rail	TOTAL
2013 payments to shareholders	£8.5bn	£3.8bn	£478m	£12.7bn
Savings if publicly financed*	£4.2bn	£2bn	£352m	£6.5bn
Savings per household	£158	£75	£13	£248
Support for public ownership	68%	71%	66%	
Lib-Lab-Con support for renationalisation	NO	NO	NO	

\*because of cheaper borrowing rates available to government. Nationalising the banks could lead to much greater savings.

better than Labour's £6,000 fees. Labour has priced its cut at £1.7 billion. It's estimated that re-introducing widespread grant and scrapping fees altogether would cost £12-£15 billion a year. That sounds like a lot of money but York university research found that £14 billion was paid out in grants and subsidies to big business in 2011-12. For example, the Department of Business provided £5 billion of coaching and marketing and advocacy services for big business.

Austerity is an attempt to steal away the gains of the past that have been won and fought for by working class people - like our libraries. But it's estimated that only £110,000 would save 350 of those at risk of closure.

## NHS

The NHS is a major concern in the minds of voters. In 2010 the Tories falsely claimed to care about the NHS but the Con-Dem years have seen attack after attack on our health service. Across the country 40% of district nurses have gone since 2010. We now have 2.95 beds per 1,000 people compared with Germany's 8.2.

Half our hospitals have 10% of beds blocked by 'social care' cases. So the pressure on hospitals is not only related to NHS funding. Cuts to council funding have slashed social care budgets over the last five years. Labour councils have merely passed on these government cuts.

The RCN estimates that £980 million would pay for 28,155 permanent nursing staff. The Guardian reported in January that Britain is home to 840,000 people who are dollar millionaires with £660,000

or more excluding their main home - a combined wealth of £2.3 trillion.

Urgent investment is needed in training and keeping nurses and other NHS staff in the jobs. What could be done to entice nurses who are leaving the NHS back? Ending low pay, investment in good quality, cheap childcare, flexible hours that suit workers, and investment in training, both before and throughout the working life.

Labour's Ed Balls has committed to maintaining the pay freeze in the public sector, keeping wages low. Socialists fight for a living wage for all and an end to the pay freeze. Freezing workers' pay is effectively a pay cut while the wealth piles up at the top.

Significantly, although opinion polls show 84% of people are opposed to privatisation of the NHS, Labour has not promised to scrap the Private Finance Initiative (PFI) privatisation robbery. There are 149 PFI hospitals valued at £12.27 billion for which the NHS is due to pay £70.5 billion! Refusing to pay back that almost £60 billion to the privateers could easily fill the £30 billion funding black hole predicted by 2020, paying for many of the nurses, doctors and beds we need - and an end to the pay freeze in the NHS.

## Decent jobs not cash piles

£375 billion has been pumped into the economy via Quantitative Easing (QE). That money has gone to the richest in society. The biggest share of this has gone to the top 1% or even 0.1%. If this had been handed over to the British public, it would have meant an extra £24,000 per family.

Instead much of it's being hoarded. In March 2012 it was revealed that UK companies were sitting on £750 billion worth of cash piles. The Financial Times reports those piles are growing. Big business refuses to invest in factories and jobs. Why? Because of the weakened state of British capitalism they see no 'profitable outlet'. Between 2007 and 2014, over 350,000 manufacturing jobs disappeared.

While Tory Osborne boasts that unemployment is no longer increasing, low pay and precarious working conditions mean the share of wealth going to workers continues to shrink. For young Black and Asian workers long-term unemployment has gone up by 50% under the Coalition. Previous to that it doubled under Labour.

Zero-hour contracts are a nightmare for workers but a dream come true for the bosses. Workers don't know from one week to the next when they will work and how much they will bring home. The Socialist Party campaigns to scrap zero-hour contracts and for a £10 an hour minimum wage now.

The successful socialist-led campaign for a \$15 an hour minimum wage in Seattle in the US shows what a struggle can achieve. It's estimated that in a city the size of Glasgow, 100,000 workers will be lifted out of poverty over the next ten

years, as \$3 billion is transferred from the bosses to the workers.

# Raise the minimum wage!

Organisation	Minimum wage demand	Delivery date	Detail
<b>Labour</b>	£8	2020	25p/hr a year
<b>Tories</b>	£6.70	October	20p/hr in-crease
<b>Greens</b>	£10	2020	60p/hr a year
<b>TUSC</b>	£10	<b>Now!</b>	<b>£3.50/hr in-crease – trade union struggle needed</b>

## Why we need to take the wealth off the 1%

Figures we have included in the pamphlet pose a question – if the capitalist system can't use the resources that exist in a rational way to meet the needs of the population, 'what is the alternative?' The Socialist Party advocates going much further in order to fully transform the lives of the 99% - including democratic public ownership, under workers' control and management, of the key sectors of the economy with compensation paid on the basis of proven need.



### What we need

No cuts



Fill the NHS funding gap

28,000 nurses



Insulate every home to reduce energy bills



Bailing out the Cancer Drug Fund

£10/hr minimum wage for the 1.2m people currently on the national minimum wage

A living wage



Restore EMA (Education Maintenance Allowances for 16 and 17 year olds)

Free education and restore widespread grants

A million homes



<b>Costs</b>	<b>A glimpse of what money is out there</b>
£85bn	20% levy on the £519bn held by the richest 1,000 – <b>as a start</b> <span style="background-color: #ff00ff; color: white; padding: 2px;">£375 billion has been pumped into the economy via Quantitative Easing (QE). That money has gone to the richest in society. The biggest share of this has gone to the top 1% or even 0.1%</span>
£30bn	Don't pay the £60bn PFI bill. <b>End all privatisation</b>
£980 million 	Privatisation vultures have robbed our public services: Care UK - £21m in 2009; Capita - £310m in 2010; Blackstone private equity made £600m on its 2006 sale of Southern Cross; Serco made £214m in profit in 2010. <b>They should pay it back</b>
£5bn 	Big Six energy companies paid over £8.5bn to shareholders and lenders in dividends and interest in 2013 <b>Take them back into public ownership</b>
£380m a year	\$11bn annual profit of two UK pharmaceutical giants, GSK and AstraZeneca <b>Down with Big Pharma – nationalise them all</b>
£8.7bn	Tory tax cuts mean businesses will pay nearly £8bn less corporation tax a year by 2016-17. <b>Stop these cuts!</b>
£1.4bn would pay all care workers a living wage	Private vulture Capita is estimated to be worth £7bn, five times that. <b>End the scandal of private profiteering out of public service provision and low pay</b>
£680 million	England's 4,400 academies held cash reserves of £2.47bn. <b>Bring the schools back into local authority control to plan the resources</b>
£12-15bn	£60bn annual defence budget. <b>Cut wasteful Trident</b>
£100bn (BBC Evan Davis estimate)	Councils already have the land. Ending subsidies to enrich private landlords would raise £26 billion. Cap rents <b>Use these resources to build council homes</b>

## How are we going to get it?

The hallmark of the Socialist Party is our understanding and confidence that working class people, together with the increasingly oppressed middle class, are central to the struggle to change the world - and can do that. Since the onset of austerity the working class has been the main force challenging the cuts - from the three-quarters of a million who marched for an alternative in 2011, to the two million public sector workers on strike in November of that year, to the hundreds of local campaigns in our workplaces and communities against the onslaught on our living standards.

Workers can draw in other sections of the population. And organised workers have enormous potential power - when the RMT union brings the London Underground out on strike, the Evening Standard estimates it costs the City £50 million a day!

But the right-wing trade union leaders did not put forward a clear strategy. The Socialist Party called for a 24-hour general strike as a means to harness the potential power of the working class. Nor did the trade union leadership take the necessary steps towards building an independent political voice for the working class. Instead the right-wing trade union leaders have effectively asked the working class and those suffering austerity to wait for a Labour government.

## The role of the working class

It is sometimes wrongly claimed that the trade unions are no longer powerful. But that isn't true. Teachers have taken strike action repeatedly against Con-Dem at-

tacks on education, with former education secretary Michael Gove a focus for their anger. Once a rising star in some eyes, he's a goner from that role now.

The Tories threaten to increase Britain's draconian anti-trade union laws beyond the general election. Already thousands of reps across the trade union movement face huge cuts to their facility time.

The PCS civil servants' union is suffering the biggest attack on a trade union since the miners' strike with the abolition of check-off (deduction of subscriptions to the union by the employer from each union member's pay) and the establishment of a scab union.

If the trade unions were toothless dinosaurs why go to this bother? It's because potentially they are very powerful. There are about six million trade union members in Britain. When they organise to take collective action and act independently, they form the biggest social force in society.

The executive of Britain's biggest union Unite is correctly recommending that the union's rules conference in July amend the basic industrial and political 'objects' of the union in its rulebook, which refer to how it defends its members, by deleting the words "so far as may be lawful". But to confront these laws, it is necessary to mobilise the whole union movement.

This move of Unite should be part of a serious strategy to prepare for the mass action necessary to resist further attacks. Unite should popularise the idea of a 24-hour general strike that would inspire union members and act as a stark warning to what will be a weak government in a volatile post-election period.

There have been instances under both Tory-led and Labour governments when the anti-trade union laws have been defied. Construction workers walked out unofficially nationwide to support the struggle at the Lindsey oil refinery in 2009 and again in the Besna national agreement dispute in 2011. Governments were wary of taking action for fear of escalating the strikes.

An indication of working class people's power can be seen when any crucial sector of workers strike - power workers, transport and many others.

But the trade unions have no political voice any more. The Labour party, formed by the trade unions, has not supported any of the strike action against the Con-Dems. Labour also kept Thatcher's anti-trade union laws on the statute books during 13 years of Labour government.

### **Needed: a new mass workers' party**

The ruling class, the capitalists, expend a lot of energy and money to ensure their interests are represented in politics. A small indication of this was revealed by the Independent recently when it found that one in four of the MPs who voted against introducing plain cigarette packaging have declared links to tobacco industries in the past.

Working class people need an independent political voice that is as prepared to fight for our interests. MPs the Socialist Party had elected for such a party would only take the average wage of a worker. This would mean they endured the same conditions as the people they represent.

In the past, when we had three social-

ist MPs in the Labour party, Dave Nellist, Terry Fields and Pat Wall, they took only the average wage of a skilled worker. In Ireland, one of our sister party's MPs, Joe Higgins, has been described in the tabloid press as a socialist 'that money can't buy'.

We believe that this policy can play an important role in making sure the party develops in a healthy way and that its representatives remain in touch with ordinary working people. They are not insulated from the need to struggle and change things then.

But this is only one factor which would mark out a new workers' party as fundamentally different to the existing order. Any party which stands against austerity and for workers' rights would be a step forward, but we would argue for it to have a clear, socialist programme.

All representatives must be accountable and subject to recall. Most important is the active involvement of the working class as well as the programme any new party stands on. Building TUSC is a step on the path to a new mass working class party.

Look at Ireland today. Austerity has hit that country hard. Youth unemployment has resulted in famine levels of emigration. Public sector pay has been slashed. For many years it has appeared that the bankers and the bond holders who caused the crisis and then got bailed out were getting away with it. But a proposed water charge, a double and unfair tax, has been the straw that broke the camel's back and massive anger erupted.

Last October Paul Murphy, a member of the Socialist Party in Ireland, our sister party, stood as a byelection candidate for

the Anti-Austerity Alliance. Paul opposes the water charges. Paul and the Socialist Party used the platform of the election to give a lead and a strategy for victory to the campaign.

This is based on the democratic and mass organisation of the working class and non-payment of the charge making it unworkable - like the 18 million-strong movement that defeated Thatcher's poll tax did in Britain in the early 1990s. That was led by Militant, now the Socialist Party.

Paul showed that he could help provide the working class with what it needs - a way to use its potential power to strike blows against austerity, the government and the capitalist system - and won the election.

## **Ukip - the establishment's anti-establishment party**

With its hours and hours and columns and columns of coverage in the capitalist press, Ukip is widely presented as the best stick to beat the Con-Dems and Labour. And given the cuts at national and local level, working class people are looking for a big stick to fight back with!

The majority of Ukip's supporters are in favour of higher public spending; almost 80% express support for nationalising the energy companies; 57% want a ban on zero-hour contracts and 73% would like to see the railways back under public ownership. But these are not Ukip policies.

81% of Ukip supporters believe "big business takes advantage of ordinary people". But Ukip's Mark Reckless, for example, voted for reducing the rate of corporation tax as a Tory MP. The millionaires

and other members of the 1% who fund the divisive Ukip agree with him. Ukip has identified £35 billion of cuts a year that they would make if they could.

While accepting cuts and the logic of capitalism, Ukip says migrants are to blame for the lack of jobs and the threadbare state of many public services. Labour has had a 'me too' approach to Ukip's right-wing pressure on this just as it has on Tory austerity. Research has found that concerns about immigration are often motivated by worries about the impact on jobs and public services. But instead of committing to a meaningful increase in the minimum wage, supporting trade unions that take action to defend the rate for the job to stop the race to the bottom, etc, shadow ministers announce that Labour would restrict benefits which jobseekers from the EU can claim, including child benefit.

In Greece, after the working class voted for Syriza to express its anger and opposition to austerity, the outright fascist Golden Dawn has been pushed back. In the context of a new anti-Troika, anti-imperialist mood, 66% of Golden Dawn voters said they agreed with the Syriza government's stance against austerity.

The only way to cut across racism and division is building a strong challenge to austerity that is based on the working class and puts all our interests first.

## What's TUSC?

The Trade Unionist and Socialist Coalition (TUSC) was co-founded in 2010 by the late Bob Crow, then leader of the RMT transport workers' union, and the Socialist Party and others. It involves other socialist groups and leading trade unionists. Since then it has stood 1,200 no-cuts candidates in council elections. There have also been TUSC challenges in the mayoral elections in Liverpool, Doncaster, Bristol, Tower Hamlets, Newham and Lewisham.

In 2014, 561 TUSC candidates pledged to vote against cuts and offered a working class alternative. But TUSC suffered a blackout in the capitalist press. Nonetheless, where campaigners were out in the streets, in the workplaces, speaking at meetings and on the doorsteps, the idea of a working class alternative gained an echo.

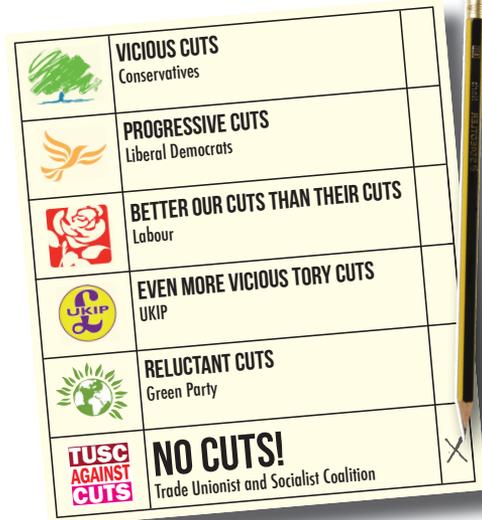
Socialist Party members ask: who would you like to represent you? The Tories and Lib Dems only offer more of the same.

Do you want Miliband's austerity-lite establishment party that has voted to slash our services in town halls across the country and committed to billions of pounds worth of cuts in government?

Do you want Ukip, a divisive party led by former stock-broker Farage?

Or do you want an organisation co-founded by a class fighter, the late Bob Crow? Even the BBC admitted that RMT members had "pay rises every year even during austerity, good pensions and good holiday allowances". Surely that's the best basis for a party to defend our class.

Trade unionists who every day fight to



defend workers' rights in the workplace are able to explain that they would take the same approach if elected - not accepting the capitalist 'logic' that workers always have to tighten their belts and accept cuts while the bosses and the super-rich get ever richer.

**See [www.tusc.org.uk](http://www.tusc.org.uk) for the policies TUSC puts forward in the election**

## Case study: housing

The utter failure of the market system to meet people's needs is exposed in the housing crisis. It delivers low pay and sky-high rents. Private renters spend 43% of their income paying the rent, on average. In London the average age of a first-time buyer is 52! The numbers sleeping rough is up by a third. No wonder people are saying enough is enough. But solutions from the capitalist parties fall far short of meeting our housing needs.

The Tories have committed to 200,000 so-called starter homes by 2020. These shoeboxes are to be sold at a 20% discount subsidised by waiving the fees house-building companies pay. But they are the ones who have not been building the homes we need. And the profits of the four biggest property developers have gone up 557% since 2010. What's more, housing charity Shelter estimates we need to build 250,000 new homes a year.

The BBC reports that "Labour wants to see 200,000 new homes built a year by 2020". But Labour is also committed to staying within the market system. Homes have become financial assets to be bought and sold by people who have no intention of living in them.

Look at the E15 mums – young mothers who fought Newham's Labour-controlled council because they wanted to stay in their homes, within their communities, their support networks and in their jobs. The Labour council evicted

them, telling them if they can't afford to live in Newham then they can't live in Newham. But it wasn't their fault property prices sky-rocketed.

High house prices and rents are of little interest to working class people who tend to have a rather old-fashioned view of housing – as something to protect you from the elements and a place for you and your family! A 2013 report by the British Property Foundation is revealing – of all the new homes built in London that year, 39% were bought to live in and 61% were bought by investors.

Councils in England are sitting on 23,000 hectares - enough brownfield land to build one million decent council homes. The 'big four' property developers are sitting on enough land to immediately build 1.4 million homes. Why could that land and the biggest vultures in the construction industry not be nationalised, with compensation paid to current owners only on the basis of genuine need?

Socialists would then build high quality council homes on an environmentally sustainable basis. Generation Rent calculates that private landlords benefit from subsidies worth £26 billion! So capping rents could raise a lot of the money needed to build the homes we need.



As Tony Mulhearn, Liverpool socialist Labour councillor and District Labour Party president in the 1980s, said: “There’s always a choice. Either you resist, say you are not passing on cuts and back it up with a mass campaign, or you lamely carry it out with the apology that goes with it.”

In the 1980s Liverpool City Council, in which Militant (forerunner of the Socialist Party) played a leading role, forced Thatcher to hand over an extra £60 million to Liverpool - which was used to build 5,000 council houses (more than were built nationally the whole time New Labour was in office!), plus new leisure centres and nurseries and to create tens of thousands of jobs.

**From the Socialist newspaper  
15 October 2014**

## **Britain needs a pay rise: How can we pay for it?**

**Peter Taaffe**

Socialist Party general secretary

“**B**ritain needs a pay rise” is the demand of the TUC’s demonstration on 18 October. The first question to ask is “Which Britain?” The bosses don’t need a penny more - they are gorging themselves, accumulating greater and greater piles of wealth through the sweated labour and poverty wages of working people.

It is the majority, the working class, which urgently needs immediate wage increases to compensate for rocketing rents and mortgages, escalating food prices, massive energy and utility bills. The evidence for this is not the invention of ‘wicked socialists and Marxists’. It is there in the bosses own newspapers, on their TV, in what working people see with their own eyes in the workplace and their neighbourhoods.

One Daily Mirror headline read: “Staff on minimum wage will take 342 years

to hit bosses' salary." The article sets out some of the irrefutable facts about the shameful level of poverty pay for the mass of workers, while the share going to the rich has reached stratospheric levels. The UK's top executive salaries have soared by 243% while the minimum wage rate has risen by just 81%, since it was introduced 15 years ago. The local government unions have been forced to call a strike for £1 an hour rise!

The founder of the Independent, Andreas Whittam-Smith, writes about "the situation facing the nation's poor. About 5.5 million adults go without essential clothing. About 2.5 million children live in homes that are damp. Around 1.5 million children live in households that cannot afford to heat their home. More than one in five adults has had to borrow in the last year to pay for day-to-day needs."

### **Least bad alternative**

There you have it; out of the mouths of the defenders of capitalism themselves comes a crushing condemnation of their system. They used to claim that the 'free market' was the best possible system for delivering goods and services to the peoples of the world. However, since the economic collapse in 2008 and the mass unemployment and dislocation which followed in its wake, it has become difficult for the ideologues of capitalism to repeat the old song. Now capitalism is, for them, the 'least bad alternative'.

They claimed that the collapse of the 'Soviet Union' marked the decisive triumph of this system over 'outmod-

ed central planning'. What collapsed in 1989-91 after the Berlin Wall was brought down was not 'socialism' but a gross caricature of democratic, liberating socialism. Yes, a planned economy existed, which had shown its superiority over the chaos of capitalism, in terms of rates of economic growth of the productive forces and a certain increase in living standards. Russia - a byword for backwardness and economic failure under Tsarism - was transformed from the India of Europe into an industrialised country.

But this was presided over by a one-party, totalitarian Stalinist bureaucratic regime, the direct result of the isolation of the Russian Revolution. This inevitably came into conflict with the needs of the Russian people, now highly educated and demanding elections, democratic control, freedom of expression, the right to demonstrate and hold meetings. The possibility of a political revolution through workers' democracy on the basis of a democratically-planned economy clearly existed, as the Hungarian revolution of 1956 and other movements in Poland and Czechoslovakia showed. But when this movement was suppressed by the Stalinist regimes, the working class, confused and desperate at the stagnation that existed, turned to the model of capitalism. The capitalist economies of Western Europe and the US, with the economic fireworks of the 1990s, growth, seemed to offer a way out.

The masses of Russia and Eastern Europe were dazzled with the capitalists' promises of achieving US or West



German living standards if they opted for the 'market'. We pointed out at the time that it would not be developed capitalism that they would experience but conditions more akin to Latin America: mass unemployment, poverty, etc. Yet even this proved to be optimistic as the productive forces, through the return to capitalism, experienced their greatest economic collapse in human history, even worse than capitalism's Great Depression of the 1930s.

## Scarecrows

We see the same kind of mass opposition movement in Hong Kong and tomorrow Chinese workers and youth, with a new, more culturally-developed population, will be demanding democratic and social rights. This struggle does not have socialist aims as yet but, in the process of the movement, workers and youth will see the need for such a change, not just in Hong Kong but throughout China. The scarecrow of Chinese Stalinism will not prevent the inevitable movement of workers in this direction.

What lessons can be drawn from this by British workers, particularly in relation to the prospects of a real alternative to capitalism, which is democratic socialism?

Capitalist representatives can no longer point to the alleged 'superiority' of their system, as it collapses - through the 'Great Recession' - around their ears. This does not stop them from seeking to dissuade workers and youth from embracing socialism as an alternative. They say that the experiences of Russia show that any attempt at 'plan-

ning' will inevitably end in dictatorship, one-man rule like North Korea!

A bureaucratic degeneration along the lines of what happened in Russia and other states that broke with capitalism is not possible in Britain. We live in an advanced industrial country, with a high level of culture, access to computers, social media, etc. Moreover, we have a strong and educated working class with their own organisations, the trade unions and in the future new mass political parties.

Once working people in Britain or any of the advanced industrial countries carry through such a big social change, socialism, they will not allow a repetition of Stalinism, with a monopoly of political power and privileges concentrated in a few hands. It will be the working class and poor through democratic workers' control and management that will be the real power.

Some workers, however, dispute this idea, particularly when they witness the vice-like control presently exercised by right-wing, undemocratic leaders of some trade unions. The latter increasingly appear to be incapable of defending their members' interests and energetically frustrate these members' desire for a fightback against the ravages of capitalism. "If this lot become the new guardians of a socialist society - no thank you," is often the worker's view, naturally reinforced by the capitalist media.

This is even more the case in relation to their experiences of right-wing Labour politicians who, when in power, seek to manage capitalism better than the capi-

talists and when deprived of office seek to out-Tory the Tories. Witness Ed Balls at the recent Labour Party conference promising that if Labour was elected the pension age will actually be raised, resulting in him being roundly booed by even this completely sanitised body.

They have abandoned the socialist perspective upon which the Labour Party itself was built in the early 20th century, once summed up in Clause 4, Part Four, of Labour's constitution. This stood for the nationalisation - public ownership - of the commanding heights of the economy. Many trade unions stood, in their constitutions and inscribed on union banners, for the long-term aim of socialism. This was not mere tokenism but expressed the accumulated experience of workers, embattled in day-to-day struggles, but also convinced on the need to change society and establish socialism

## Drive for profit

Capitalism is a system which cannot utilise the full productive potential of its own system. The wheel of history has been turned back during this crisis. Production during an alleged 'recovery' is barely above the level prior to the crisis. Why? The defenders of the system are completely silent when it comes to explaining this. Yet it is very simple to understand, if you follow the analysis of Karl Marx. He showed that capitalism is a system based upon production for the profits of the few - a handful of monopoly capitalists - at the expense of the social needs of the many, the working class and poor, as well as the increas-

ingly impoverished sections of the middle-class.

Profit is the "unpaid labour of the working class", as Marx showed. There is much talk today, quite correctly, about 'inequality'. Yet inequality is woven into the very fabric of capitalism and will exist so long as the capitalist system still lives. The capitalists' exploitation of workers means that each one receives only a portion of the value he or she creates in the form of wages. The surplus is divided into rent for the landlords, interest for the bankers and what is left is the profit for the capitalist owners of industry. Capitalism manages to go ahead by ploughing back part of the surplus into production which in turn can lead to a spiral of growth until the inevitable onset of crisis.

Even a stern defender of capitalism like Martin Wolf of the Financial Times is compelled to write: "It is increasingly recognised that, beyond a certain point, inequality will be a source of significant economic ills." What "ills"? Martin Wolf understands what they are when he recognises "huge increases in the relative pay of executives, together with the shift in incomes from labour to capital". He then goes on: "Up to the time of the crisis, many of those who were not enjoying rising real incomes borrowed instead. Rising house prices made this possible. By late 2007, debt peaked at 135% of disposable incomes." In other words, the growth of capitalism worldwide before 2008 was debt fuelled, as we had always argued, and would inevitably collapse at a certain stage.

Them and us

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People like Martin Wolf are 'concerned' for the system that he defends because this inequality is itself becoming a barrier to the further development of capitalism. By cutting the 'market', the incomes of the working and middle classes contract, plunging capitalism into stagnation. That is why some of the capitalist strategists - like the German central bank, the Bundesbank - actually urge the trade unions to fight for higher wages, which they envisage could 'stimulate' the economy.

However, the individual boss, primarily concerned with maintaining his profits and even increasing them, can resist increases in wages. They are more concerned about the fate of their company and income than about the general health and development of capitalism.

Inequality has already reached 'eye-watering' levels, particularly in places like London which has now overtaken Hong Kong as the most expensive city in the world. There are more so-called 'Ultra High-Net-Worth' individuals (UHNW) in London than anywhere else on the planet. These are defined as people with \$30 million or more in assets. 4,224 UHNW families live in London: These, together with a few thousand more, exercise the real power in society.

After a crackdown in Switzerland, London is the new preferred tax haven for ultra-rich global capital. But if the national minimum wage had kept pace with a FTSE 100 Chief Executive Officer's salary since 1999, it would now be £18.89 per hour instead of £6.50!

We would support all measures to lift workers out of poverty by fighting for at

least £10 an hour. This and more will be possible if the full power of popular opinion and the labour movement is mobilised. This was shown by the tremendous victory in Seattle in gaining a \$15 an hour minimum wage. But it was only through the campaign and pressure of Socialist Alternative, the US co-thinkers of the Socialist Party in England and Wales, that this was achieved.

## Class warfare

The colossal chasm between the rich and poor will remain, and will grow so long as capitalism continues to exist. The representatives of rich are quite clear on this. Warren Buffet, one of the richest men in the world, once put it bluntly: "There is class warfare all right, but it's my class, the rich class, that's making war and we are winning."

Margaret Thatcher carried this out to the letter in her brutal attacks on the working class in the 1980s. Now, the Guardian has published the speech that she didn't make to the Tory party conference in 1984 but wanted to. She was only prevented from doing so by the Brighton bombing. It was full of bile and hatred for those who were prepared to stand up against her and the government of rotten British capitalism, which she represented. The miners, the heroic Liverpool City Council, the labour movement as a whole were condemned as "the enemy within" and part of an "insurrection" against democracy. They were to Thatcher "as dangerous an enemy as the Argentinian dictator General Galtieri had been over the Falklands".

She wrote in the intended speech:

“Enemy without - beaten him and resolute strong in defence. Enemy within - Miners’ leaders ... Liverpool and some local authorities - just as dangerous ... in a way more difficult to fight ... just as dangerous to liberty.” For good measure, then Labour leader Neil Kinnock, who stabbed Liverpool and the miners in the back, is condemned as a ‘puppet’ leader of a Labour party that had been ‘hijacked’ by the ‘enemies of democracy’”.

In order to reverse the defeats of the past, workers need committed fighting trade unions with the same kind of relentless leadership that the boss class has. But we must also have a socialist vision of what is possible on the basis of changing society. There is no mystery in how a socialist planned economy would be organised and show in practice its superiority over outmoded capitalism.

## Socialist alternative

Four years ago we wrote: “The output of the world economy is back to the levels of 1989.” In the 17 countries formally making up the eurozone, joblessness amongst young people totals over 25% with levels above 50% in Greece, Spain, and Italy. In Ireland and particularly Spain, ‘ghost estates’ exist while millions lack even basic shelter.

Homelessness is on the increase while there are 11 million dwellings lying idle throughout Europe. One billion on the planet go to bed hungry every night, an increase of more than 150 million compared to 19 years ago. Half the population of India lack even a toilet - a basic requirement of a civilised

existence. 800,000 people worldwide commit suicide each year - many of them like poor farmers in India, crippled by debt - who despair of any solution on the basis of rotten capitalism.

Capitalism has shown that it not only worsens global warming but is incapable of arresting the world’s looming environmental disaster. The Observer recently reported that unprecedented high temperatures will become the norm worldwide by 2047: “The best place really is Alaska. Alaska is going to be the next Florida by the end of the century” one geographer is quoted as saying.

But these kinds of conditions can be ended very quickly. A planned economy would use all the resources which now lie idle, as well as cutting out the colossal waste from unnecessary advertising, duplication of production, etc.

A few figures to illustrate what would be possible: of the hundred largest economies in the world, 52 are corporations and 48 are countries; the top 500 companies control 70% of world trade; the top 200 companies’ combined sales are equal to 28% of world GDP but only employ 0.82% of the world’s workforce. A handful of billionaires control what are, in effect, monopoly concerns, which determine what will and will not be produced.

The very minimum required is to take over these giant monopolies, giving compensation to those who require it on the basis of proven need. Then we can begin to organise production through a socialist, democratically planned economy for the benefit of all.