

# 2011 A year of sharpening struggle

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**T**HE YEAR 2010 was socially and politically unrecognisable compared to 2009. This was undoubtedly the most tumultuous year for over two decades, particularly in Britain. The British general election took place a mere seven months ago yet, such is the speed and sweep of events, that now we almost live in a 'different country'. From the moment of their installation the Con-Dems - with the 'Fib Dems' selling their 'principles' for the lure of office - have been under siege.

**Peter Taaffe**  
Socialist Party general secretary

If the trade union leaders had just lifted their little finger and issued a swift call to action - and organised this methodically - then the government could have been overwhelmed by mass protests. But dragging their feet as always, 'leading' from the rear, the only policy of the right-wing unions is one of indecision and prevarication in the teeth of the wholesale slaughter of jobs, services and living standards.

It was left to the heroic students in the battle against the tripling of tuition fees and the criminal withdrawal of the Educational Maintenance Allowance (EMA) to punch a hole in the government's seeming 'intransigence'.

Fulfilling the historic role of students at critical periods as the 'light cavalry', they mobilised in a daring, highly original and improvised fashion to break through the government's defences. This opened up a breach through which the heavy battalions of the working class, the trade unions, can come marching through in a mass movement to defeat the government.

## Confronting the government

THE VERY freedom from bureaucratic structures - with the 'spineless' National Union of Students (in the words of its own president, Aaron Porter) virtually pushed aside - the students opened up a new chapter in how to confront and thereby terrify a 'strong' government. Their slogans perfectly summed up the mood of not just students but the whole generation, displaying its massive resentment against decades of marginalisation and repression, and the system which is closing off any real hope for a future under capitalism.

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And what is the reaction of the government and the ruling class in general? To threaten the very right to protest and demonstrate - with the Metropolitan Police Commissioner Paul Stephenson suggesting that demonstrations could be banned. Home Secretary Theresa May suggested the use of water cannon but the next day was compelled to withdraw this because of the outcry.

Above all, in a mass demonstration of what Karl Marx called "parliamentary cretinism" (idiocy), the Con-Dems think that by rushing through the vote on raising fees in the Commons and the



Young people protesting in Britain have inspired workers around the world.

photo Senan

House of Lords there will be an end to the matter. Like the Bourbons in France they have learned nothing and forgotten nothing from history.

The poll tax was 'law' in 1988 but was removed from the statute book in 1991 after the mass campaign of disobedience spearheaded by the All-Britain Anti-Poll Tax Federation, led by Militant - now the Socialist Party - when 18 million people refused to pay the tax. Similarly the French first employment contract (CPE) was cancelled in 2006 following mass youth protests even though it was also by then law. Mass pressure and power against injustice cannot be cancelled out by the stroke of a pen, even one that is sanctified as 'law'.

The student revolt in Britain has resonated worldwide. From Rome, with the students demanding the overthrow of the hated government of Berlusconi, who clings to power temporarily by his fingertips, to the US, to Asia, etc. For instance, there has been widespread coverage in Pakistan and worldwide of events in Britain precisely because it is taking place in Britain.

Hitherto, this has been supposedly the bastion of 'tranquil parliamentary democracy' where protest and opposition is usually contained in safe channels. The fact that it has flowed over the banks and turned Central London at times into a 'war zone' is itself a factor which has caught the eye and the imagination of the world, particularly young people, the working class and the poor.

The background and the impulse to these events, and those to come in 2011, is the worldwide crisis of capitalism which, since it began in 2007, has wrought havoc in the economies and the lives of working people. The OECD estimated that 17 million working men and women have

been ejected from the factories in the 'advanced' capitalist countries alone since the onset of this crisis.

Fully nine million US workers have been thrown onto the stones in the same period. It would have been worse but for the bailout of the banks by capitalist governments. According to recent leaked documents, the US government alone lent a colossal \$3.3 trillion - equivalent to one quarter of US gross domestic product - to banks and ailing firms! This saved one million jobs but nine times that number of workers were sacked. Moreover, US workers will foot the bill for the bailout.

## Recovery?

NEVERTHELESS, ARGUE capitalist economists, deliverance is at hand in the form of a 'recovery'. But the facts do not bear this out. To even begin to eat into the unemployment figures in the US 300,000 jobs a month must be created. Yet in the third quarter of 2010 just 150,000 new jobs were recorded.

Moreover, many of them are now openly described as 'survival' jobs. Unable to find jobs similar to those they previously had, relatively high paid and permanent, millions of workers are compelled to take any job in order to prevent homelessness and starvation in the richest country on the planet. A 'precarious' existence, massive insecurity and a spiral of decline in living standards and future opportunities is now the prospect for millions in Britain and worldwide.

It is, moreover, the suddenness and the 'unexpectedness' of a rapid change in lifestyle that is fuelling a colossal mass revolt on a European level in particular. 17.5 million people, according to the Guardian, came onto the streets over

three weeks (some of them participating in more than one demonstration) in the recent mass revolt against the Sarkozy government in France.

General strikes have convulsed Spain, Greece, Portugal, France, Romania in Eastern Europe, India and South Africa in the neocolonial world. Truly we are in an era of mass participation and involvement, of struggle and attempts to change the situation and the course of history.

Ireland sums up the situation. Six years ago, in a commissioned 'happiness index', the country's inhabitants declared themselves the 'happiest' out of 100 countries questioned. Not any more as living standards have plummeted by at least 15% due to the latest vicious draconian cuts.

To go through with the planned austerity will amount to an overall 25% reduction in the conditions of the Irish people. This is on the level of the depression in the US in the 1930s. And Ireland is the future for other countries in Europe - including Britain - on the basis of the continuation of the capitalist system.

In fact, Ireland's crisis is, in reality, a European crisis, specifically a potentially devastating crisis of the European banking system. Tory chancellor George Osborne, in a personification of the 'cold cruelty' of the British ruling class, clamps down on students, benefit claimants and the unemployed yet rushes to save Ireland's banks. It does not take a rocket scientist to work out why.

If the Irish banks go under so would significant sections of the British banking system, which in turn would detonate crises in other European banks and drag down the whole banking system in the continent.

The complete bankruptcy of capitalism is reflected in the future which is now mapped out for the Irish people. It is 'eter-

nal austerity', a return of mass emigration and low or no growth of the economy and thereby the living standards of the Irish people for the foreseeable future.

This, moreover, applies to the capitalist world as a whole. It is openly admitted by the organs of big business, such as the Financial Times, that other countries could suffer 'contagion' from the Irish debacle. Portugal, Greece, Italy, Spain and even Britain and Germany are threatened with an attack by the so-called bond vigilantes - billionaire speculators - looking to grow fat by raiding the currencies of different countries.

In this 'sovereign debt' crisis Greece represents what the Bear Stearns collapse was for banking and Ireland equates to the meltdown at the time of the collapse of Lehman Brothers.

But the debts of Spain are so large - it is the fourth biggest economy in the European Union (EU) - that it could be 'too big to save'. This could be the trigger for another banking crisis, this time for the whole of the EU, which could result in a complete collapse of the euro, already hanging by a thread as a result of the crises in Ireland and Greece.

## Industry destroyed

THE CRISIS has already destroyed huge swathes of the productive forces - the organisation of labour, science and technique - which in the case of Britain is the biggest drop in production since 1945. Fully 10% of industry has been destroyed, just so that a system based upon production for profit and not need is maintained for the benefit of a handful of millionaires and billionaires.

The palpable loss of faith in their system by the possessing classes is manifested by the bosses' failure to invest surplus extracted from the labour of the working class back into production. Promises of a 'better tomorrow', therefore, will be stillborn. A banking crisis on a European scale would be similar to the banking crisis in Europe two years after the 1929 Wall Street Crash which reinforced the depression.

In this situation, one desperate expedient after another is deployed by capitalist governments. Stimulus packages have not worked sufficiently to avoid mass unemployment. Now further 'quantitative easing' - injections of cash, 'liquidity', into the banking system - has been undertaken by the Federal Reserve in the US and is about to be emulated by the Bank of England.

However, such are the accumulated problems from the massive financial bubble of the last 30 years that these are not guaranteed to work. In this situation of a massive debt 'overhang' the injection of capital is not guaranteed to work because, as the capitalist economist Keynes pointed out, it would be like "pushing on a piece of string".

The propensity of the banks to lend more to borrowers, or for investors to invest, is non-existent, resulting in a paradox of thrift. At best this means economic stagnation and at worst, a further deepening of the crisis.

Unemployment has crept up again in Britain with one million young people out of work. In Liverpool, 34% of the households do not have a single person working. This will be compounded by the wholesale destruction of jobs in the public and private sector following the huge cuts in local government grants made by Tory minister Eric Pickles.

The Liberal Democrats in particular,



The police tried to terrorise protesting students.

photo Suzanne Beishon

Despite temporary ups and downs, the general character of world capitalism in this period is one of stagnation and decline. The government's policy of deflation - cuts in living standards by either holding wages down or cutting state expenditure (or both) - presently employed by the David Cameron government in Britain will aggravate the crisis and provoke mass upheavals, the likes of which we have not seen in generations.

This is why, behind the scenes, if not by the government itself then certainly through the permanent top officials of the civil service, a 'plan B' is already in preparation to cover for the failure of this government's current austerity programme.

As unemployment climbs, the furore over tuition fees will seem like a picnic compared to the mass upsurge of opposition that will take place. The homeless and the benefits claimants whose income is being cut will add to the chorus of discontent.

Just like the Heath government which was threatened by a general strike in the 1970s, this government will be compelled to change course or it will collapse. Some commentators, for instance Steve Richards in the Independent, now admit what the Socialist Party argued from the beginning; that the government's facade of 'unity' will crack.

Only a rump will be left in the



Protesting against the closure of the Newport Passport office.

photo Socialist Party Wales

who are already split, will be splintered further and forced out of the government. Nick Clegg and the 'Orange book' wing of the Lib Dems, already recognised as crypto-Tories, will be absorbed into the ranks of Cameron's party. Others to the 'left' will join up with New Labour - encouraged by Ed Miliband's courtship of them. Only a rump will be left in the

Liberal Democrats. It could be reduced to a capitalist sect.

However, Ed Miliband does not represent a successful 'rebranding' of the tawdry product of New Labour. With minor differences he represents a New Labour retreat. When the students were besieging parliament, he 'considered' meeting them, only then to reject such a 'bold' step, for him that is.

On policy, particularly on the cuts programme, there is no difference in substance with the government but only on timing; death by a thousand cuts over a period of time rather than the immediate wielding of the big axe by Cameron. Scandalously, a nod and a wink has been given to Labour councils not to stand up to the government as Liverpool did in the 1980s but to pass on, no doubt with much wringing of hands, the Tory cuts packages. At best, New Labour councillors will play the role of Pontius Pilate and there is no more contemptible figure in history!

A new road must be opened up by the labour movement, an entirely new socialist vista, for all those affected by this new deepening crisis of capitalism and all looking to fight back. The resistance must be centred on the trade unions.

We welcome the new generation of students to the battle, many of whom are filling out the ranks of the Socialist Party. We praise and encourage their flair, spontaneity and determination. But it is entirely false, as some left groups have done, to give the impression that through so-called 'student power' they can defeat the government by themselves. They can fulfil a very important auxiliary function, but it is the heavy battalions of the working class, the most conscious of whom are gathered together in the trade unions, who have the real power to smash this government's programme and eject them from office.

## New mass forces

2011 IS likely to exceed in scale of struggle what we have seen in 2010, both in Britain and worldwide. Through the experience of the battles so far a new generation is being 'blooded', almost literally, and trained in the realities of capitalist society. This new layer is looking towards an alternative, with many repelled by capitalism and picking up the ideas of socialism.

Many are joining the Socialist Party, which has had its best period of growth for two decades through the involvement of this new generation. They have met many from an older generation who are rejoining the struggle and the Socialist Party in the process. This is laying the basis for more spectacular and sustained growth of the genuine forces of Marxism and socialism in Britain in the next period.

A powerful and socialist force now is the precondition for realising the vital step towards a new mass workers' party.

Similar processes are developing on a world scale, as evidenced by the tremendous world congress of the Committee for a Workers' International, the world socialist organisation to which the Socialist Party is affiliated, which took place in December.

New mass social forces linked to the building of a genuine mass democratic international can be taken a step further in what promises to be an exciting and fruitful year.

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