

# Mass workers' movement - the only way to make the super-rich pay

**T**he system [capitalism] produced an ever-expanding flow of goods and services, which the impoverished proletarianised population could not afford to buy. Some 20 years ago... this would have seemed outmoded. But it needs another look, following the increase in concentration of wealth and income." These are not the words of a socialist but Samuel Brittan, the Thatcherite columnist for the Financial Times, giving his summary of Karl Marx's analysis.

In the 19th century Marx explained that capitalism created a trend, with brief interludes of growing prosperity, towards the concentration of wealth and power in an ever decreasing number of hands at the top of society, with increased poverty and misery at the bottom. This has never been truer than today.

## Marx was right

So overwhelming is the similarity between Marx's analysis of capitalist crisis and the reality we face today, many capitalist economists have been forced to declare that 'Marx was right'.

Capitalism is a bankrupt system. As it lurches into a new phase of the 'great recession', billions of people around the world face growing poverty.

The economic crisis has not, however, meant increased hardship for the few bil-

lionaires at the top of society. In Britain bank CEOs who brought the economy to the brink of meltdown, with bank collapse only prevented by £850 billion of tax payers' money in 2008, have seen their bonuses increase by 130%.

But it is a sign of the bankrupt nature of modern capitalism and its political representatives that taxation of the rich is so low some of them are asking to pay more.

Warren Buffett is the world's richest man - worth \$62 billion at the last count. In an act of self-flagellation he has demanded to pay more tax. He 'feels guilty' because he only pays 17.4% of his income in tax (\$6.9 million last year), while his staff pay an average of 36%.

In Italy, the chairman of Ferrari has also offered to pay more in tax - but in doing so demonstrated why the working class must always beware of billionaires bearing 'gifts' - the Ferrari boss is only willing to pay more if the government accelerates its programme of privatisation.

The Socialist Party demands that it is the rich - not the working and middle classes - who pay the price for the economic crisis. We want a huge increase in taxation of the rich - all that Buffett and Co are offering - and far more.

Over the last 30 years the pursuit of ultra neoliberal economic policies - where mammon alone is worshiped - has left taxation of corporations at historically low levels.

In Britain for most of the 1970s the tax rate for the highest band of income was 83%. Likewise for most of the 1970s, big corporations paid 52% of their profits in tax, but that percentage has been reduced step-by-step ever since, to now being just 26% - with the government planning to lower it to 23% in three years' time.

## The 'feral rich'

And as the PCS trade union has pointed out, even with the existing low levels of taxation for the rich, more than £120 billion goes uncollected every year, as the 'feral rich' avoid paying even the puny taxes they owe.

The Con-Dem government, far from increasing tax on the rich, is mooted the possibility of reversing even the minor measures introduced by New Labour at the start of the economic crisis - such as the 50% rate of tax on income over £150,000.

Nicolas Sarkozy, president of France, partly reflecting the less short-sighted character of French capitalism - but also the nearness of the French presidential elections - has said he favours a temporary tax of 3% on taxable earnings above €500,000. But this is chicken feed, especially in comparison to the billions that Sarkozy has given to the rich in tax breaks.

Worldwide there is enormous latent anger at the growing gulf between rich and poor. In Britain 72% of people support a dramatic in-

crease in taxation of the rich, in the US it is 76%. It is partly because the super-rich fear the growing anger against them and their system that a few of them are offering to pay a bit more, to give some crumb of credence to the idea we 'are all in it together'. We need to organise a mass movement to make them pay.

But while we favour taxing the rich, we also recognise that the logic of capitalism - a system driven by the blind need to maximise profits - means that the capitalists will never meekly accept dramatically increased regulation and taxation. The response of the capitalist media in the US has not in the main been to welcome Buffett's proposal but to ridicule him.

The only permanent and lasting solution to the crisis is a socialist solution. Capitalism has led to enormous economic destruction. In Britain around 10% of wealth has already been lost as a result of the recession, due to factories and workplaces closing, resulting in 2.5 million and rising officially unemployed. Nor is there any prospect of a return to healthy economic growth.

That is why a crucial step towards solving the economic crisis would be to take the big corporations and banks that dominate Britain's economy into democratic public ownership, paying compensation on the basis of proven need. This would then allow for production to begin to be planned for need and not for profit.

# Racist EDL kept out of Tower Hamlets by thousands protesting

Paula Mitchell

The racist English Defence League (EDL) planned a march in Tower Hamlets, East London on Saturday 3 September to create division and intimidate the local community. But they were humiliated by the campaign against them.

Despite the police ban on their march they were still allowed a static protest. However, they could find no venue in Tower Hamlets that would have them!

When they planned to "muster" at Liverpool Street station, the RMT transport union in London announced that it would shut the station down on grounds of health and safety and again the EDL were forced to change their plans.

Disgracefully, despite the ban, the EDL effectively marched, as they were escorted through the streets to Aldgate by 3,000 riot police.

There, just over the Tower Hamlets border, 1,000 EDL supporters rallied behind four lines of riot police and two lines of police vans. The EDL rally ended in chaos, with 60 arrests, when tanked-up thugs fought with police and threw racist abuse at local residents.

Despite the Home Office's sweeping ban on all demonstrations in five boroughs and the City of London for 30 days a static anti-EDL protest took place on Whitechapel Road which outnumbered the EDL. Anti-EDL protesters then broke the ban on their march by moving down to the police lines at Aldgate and

marching back up to the starting point. Many ended their day in jubilation feeling that they had kept the EDL out of Tower Hamlets.

Of course national demonstrations are an important aspect in any battle but the EDL and far-right racist British National Party (BNP) will start to be seriously defeated when local communities, workers and young people themselves organise to drive them out and to defend themselves.

## Community campaign

Community campaigning did take place in Tower Hamlets. The United East End coalition brought together several different religious bodies, councillors of all parties and different community organisations.

On the day, the Islamic Forum of Europe provided 800 stewards to defend the community. The campaign was publicly led by the Independent Mayor, Lutfar Rahman.

However, earlier this year Rahman presented to the council a budget with £75 million cuts over three years. All the parties on the council supported cuts to one degree or another. These are exactly the conditions which create a breeding ground for organisations like the EDL.

In the campaign against the EDL Rahman concentrated on asking the government to ban its march. The Socialist Party warned that this could lead to the counter-demonstration also being banned.

Instead, we argued that Rahman

and the council should have had a serious strategy of community defence.

They could have organised meetings on all the estates, for residents to elect their own stewards. They could have appointed hundreds of special community safety officers, elected from the estates, to defend people on the day of the march.

In the absence of any such serious community defence campaign, Socialist Party members held several estate meetings, drawing people out onto their balconies to listen to speeches and discuss how to respond to EDL threats.

Tory, Labour and Liberal politicians want working class people to pay for the economic crisis through massive cuts to public services. Racist groups like the EDL exploit this crisis for their own ends.

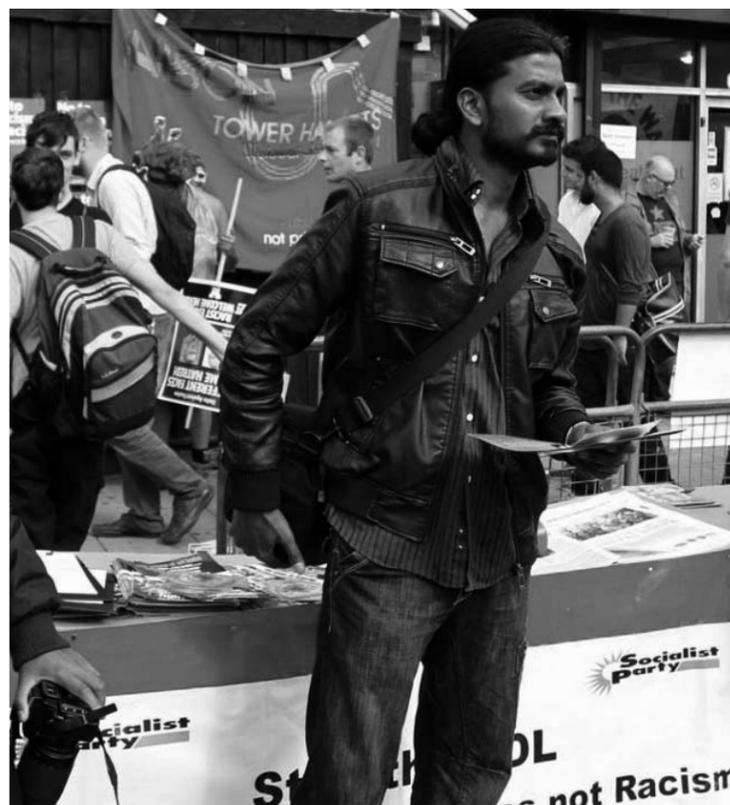
## Stop the cuts

This makes the fight against cuts and for jobs a crucial part of the battle against groups like the EDL.

"Stand together against cuts and racism!", Matt Wrack, general secretary of the Fire Brigades Union (FBU) argued when he addressed the crowd on Saturday. "It won't be the home secretary, it won't be the courts" that stop the EDL, but "it's the ordinary people getting organised".

Matt called on the councillors to fight and resist Tory cuts, instead of preparing the ground for division and poverty.

But unfortunately the emphasis



On the counter-protest photo Senan

of a whole range of speakers invited by Unite Against Fascism was not to fight together against the existing conditions of working class people in Tower Hamlets, one of the poorest boroughs in the country, and elsewhere, but to present fighting the EDL as a separate, single issue.

So when Mayor Rahman welcomed all protesters at the beginning, speaking of standing "shoulder to shoulder" against the EDL, he and his council - including Labour

and Respect councillors - were left almost unchallenged for accepting and implementing the cuts ordered by the Tory government.

Vik Chechi, Unison secretary at Queen Mary University and member of the Socialist Party, speaking towards the end of the rally, stressed the need to stop all cuts and defend the public sector to be able to defeat the racists and build a strong and united answer to all attempts at divide and rule.