

the commune

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free

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what is the commune?

The Commune is a political project incorporating a newspaper, a series of pamphlets, and a series of open discussion forums.

We are feminist, anti-capitalist, internationalist; against the structure of this society, based as it is on mass powerlessness, overwork and war. We are for change from below, through mass direct action, and a society where everything is held in common. Based on a broad conception of the working class, including all those who are divorced from social power and rely on exploitative work, state income support, or debt, we say that the liberation of the working class is the task of the working class itself.

We are not a political party, nor the embryo of such a party. We exercise no internal discipline; but instead promote the independent, critical, mutual development of all those interested in anti-capitalist ideas, movement history, and the challenges of the political present. We are not interested in people for the 'work' they will do for 'us'; and no 'loyalty' is due us beyond that justified by our contribution to the class struggle. We are an open, pluralist group; each with our own interests and priorities – and we are beholden to no single tradition, whether Marxist or anarchist.

The Commune aims to offer an alternative voice on the left. We are, however, committed to the real movement; we are not for abstention.

While we have no timeless loyalty to any of the traditional movement organisations, unions, parties or campaigns (and advocate alternate forms of struggle when appropriate), we want to contest our ideas as part of the movements as they are.

★ Like what you see? Want to get involved? Drop us a message at uncaptiveminds@gmail.com

opposition and the cuts

★ *The Commune's* editorial

BBC presenters sat mouths-gaping on 26th September as City trader Alessio Rastani proudly boasted on live TV of the financial sector's power and its disdain for the victims of the recession. He proclaimed that a crisis was a great opportunity to make a fast buck and that he dreamt of the next such meltdown. Reeking of arrogant class prejudice, here was the true face behind our rulers' democratic and liberal mask.

That same week, Ed Miliband spoke to Labour conference, calling for a 'new morality' rewarding the 'hard-working'. Yet asked by a member of the public whether he would endeavour to protect workers' pensions, 'Red Ed' said he could promise nothing, since workers getting older is no longer 'affordable'. Not only did he drive a wedge between the employed and the 'undeserving poor', championing harsh penalties for rioters and 'scroungers': he disavowed strike action as a means of standing up for workers' living standards.

Whereas the slimy Rastani openly proclaimed his 'fuck you' attitude, Miliband couched his in pious laments about the effects of the cuts: while reassuring the 'business community' that he would also have carried out the cuts, aside from a few sops to the left like 'only' doubling tuition fees to £6,000 a year. His message was that it was all very sad that the crisis happened and services and pensions are under threat, but nothing is to be done about it so you'll have to slave away until you drop. No wonder Blairite MP Andy Burnham said "Labour is the party of hard work".

Labour want our votes in 2015, once the cuts are already in place. So for the anti-movement, not only is Labour a 'chocolate teapot', but one which will take four years to come to the boil. If the capitalists stand up for their interests, who will stand up for ours? The answer is of course that we must take matters into our own hands.

In this sense the strikes planned for 30th November are a step forward. The day of action advocated at TUC conference will build further on such actions as the 500,000 strong demo on 26th March and the 750,000 –strong strike over pensions on 30th June. Such an action has the potential of pulling wide layers of people into struggle, standing



the new BrownBalls boomcoaster 2011

up for themselves and really confronting the Con-Dem government. This is only a beginning: one day of strike action will not be enough to defeat the Tories.

Indeed, the trade unions, like the Labour Party they support, are also prone to promising great things only to delay or call off action. For example, Dave Prentis, leader of the largest public sector union Unison, promised much before 30th June, only then to pull out, greatly reducing the number of strikers. This is a vicious circle, in that such retreats further damage confidence in the possibility of a fightback. Indeed, ballots for strike action on 30th November may not see particularly high turnouts or 'yes' votes, despite the anger at cuts.

Given the defeats of the 1980s most young workers will have little idea what a mass struggle looks like, and many doubt it is even possible. Unions barely exist outside the public sector. In this sense it is encouraging to see private sector struggles also linking up with 30th November: for instance, the electricians (page 4), organising themselves at a grassroots level, have announced they will support the strike.

Such struggles emerging from below can do far more to inspire workers' confidence in our ability to fight than action turned on and off like a tap by union leaders. But this is not just a better way to fight the Tories. It is a whole different idea of how the world is run, where we make democratic decisions for ourselves rather than relying on leaders. We will be building in precisely this spirit as we organise for the 30th November strike.

balls to miliband!

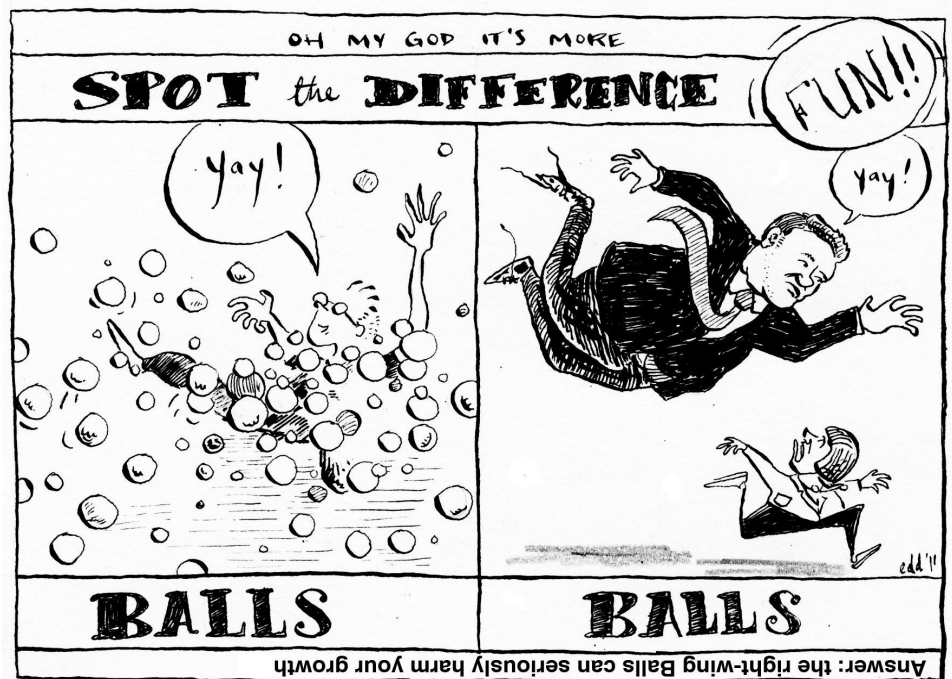
★ Clifford Biddulph argues that Labour will never be on our side

Striking is irrelevant for Ed Miliband. He had an awkward lesson for September's TUC conference: trade unions should offer better relations with their employers. What Labour needed was a continuation of the partnership between business and the unions. The way forward was not negative strikes but a positive "new economy" built on the Labourite value of cooperation, not conflict in the workplace.

But this New Labour desire for social peace is traditional Labour politics as well. The Labour Representation Committee originally founded Labour on the basis of Keir Hardy's resolution rejecting class war in favour of parliamentary representation and constitutionalism. Ramsay Macdonald, the leader of the first Labour government in 1924 advocated and acted on the commitment to growing capitalist society, not a working class alternative.

Miliband was not talking about a new socialist economy. Labour's perspective has always been to make themselves respectable enough to run capitalism. Nor was Miliband proposing a return to Keynes as a way out of recession. He was simply rehashing the Labour mantra dating back to 1976, when then Prime Minister James Callaghan said to the party conference: "We would like to think we could spend our way out of recession. I tell you in all candour that option no longer exists."

Ed Miliband implied that you would like to think you can strike your way out of recession but "Strikes are always a consequence of failure". 'Red Ed' was opposed to the pension strikes in June: even if the negotiation with the unions was not meaningful on the government's part, strikes were still morally wrong. The Parliamentary Labour Party and its leadership have a long history of opposition to strikes, since they are not on the parliamentary agenda. Labour leaders were against strikes in the great unrest 1910-14; the general strike of 1926; strikes on the docks and elsewhere during the 1945-51 Labour government under Clement Attlee; the seafarers' strike in 1966, when PM Harold Wilson denounced



the strikes as a tight knit group of communists, the miners' strike 1984-85 where Neil Kinnock condemned picket line militancy, and so on into the Blair years.

Ed Miliband denied being fatalistic. He was not saying 'accept whatever the employers offered and do not strike'... well, he was saying that, but he was also implying something positive: don't strike but vote Labour at the next election. There was an unwritten promise to provide a few crumbs of comfort for the trade union leaders, the future Labour government would facilitate more apprenticeships and would negotiate in good faith unlike the Tories. But obviously the trade union leaders would have to do the decent thing and help Britain's economic recovery, and the cuts which were being implemented throughout the country by local Labour councils would not be restored. Why ask Miliband to stand with us: he stands against us.

Labour conference

Miliband's speech to the Labour Party conference was full of the usual bourgeois rhetoric about 'new politics'. He was bringing 'new values' like the youthful

Tony Blair in 1997. It was the same old Labourite call for a 'new morality' which has been in the party's DNA since its foundation. He called for an end to fast buck Britain and the quick profit. But Miliband is aware he cannot morally regulate capitalism: capitalism cannot be ethically run.

Underneath the apparent sincerity is the usual phoney sound bite. The goal of moralising people at the top of capitalism has never been more than dishonest political posturing. Remember ethical foreign policy and then imperialism in Iraq. And all the hypocrisy about how wrong it is for ordinary hard working people to be squeezed. All this from the leader of a party that is in favour of cuts to jobs and services. Behind the ethical stance is the respectable financial orthodoxy which has run the Labour Party for a century. No surprise then that Shadow Chancellor Ed Balls announced a future Labour government would not reverse cuts to jobs, services, benefits and living standards.

★Cartoons on pages 2, 3 by Edd Baldry—heymonkeyriot.blogspot.com

pickets and porkie pies at fujitsu

★ Mark Harrison visited the Fujitsu picket in Manchester for the latest in a series of strikes

On the morning of 19th September I attended a picket and rally of Fujitsu workers at their site in Manchester. Ostensibly in opposition to Fujitsu failing to honour certain aspects of an agreement brokered with the ACAS arbitration service, the strikers were walking the line in defence of Alan Jenney (Deputy Chair of the Unite union's Fujitsu UK Combine Committee and Unite rep at Fujitsu's site in Crewe) who has clearly been singled out for compulsory redundancy due to his trade union activities.

Unite had been co-ordinating with the Public and Commercial Services (PCS) union whose members working for Fujitsu were due to strike simultaneously due to a pay dispute. Industrial action by around 720 PCS members was called off at the last minute once Fujitsu agreed a pay offer at twice the rate of inflation.

Workers I spoke to on the day were confident that the increased pressure of Unite striking alongside the PCS had led to this victory, although the fact that PCS members were government contractors played a major role. This victory was certainly a positive one for Unite members, although it left them to stand alone as there was now little that members of PCS could do to provide them with real support.

Approximately 200 of the 600 workers stayed away from work in Manchester, only management went into work at the smaller Salford site although there was a reportedly lower turnout in Crewe. Around 30 workers attended the picket from Manchester Fujitsu, in addition to a dozen supporters from other workplaces, trade unions or political parties. This included members of the National Union of Journalists reporting for BBC Radio Manchester, who also took part in a national strike this summer in response to compulsory redundancy of trade union reps. The picket was turned into a rally at around 8am. As well as being addressed by several Unite and PCS officials, those present were also spoken to by Karen Reissman, a former mental health nurse sacked for speaking to the media, a member of the Unison union's national



★ Fujitsu promises: porkie pies

executive committee and now back working for the health service after an out of court settlement. The final speaker was an ex-rep of the Manchester Fujitsu site who had been previously been transferred to Warrington in order to avoid outright dismissal. Worryingly she told the

Manchester workers "you don't know how lucky you are". Outside the Manchester bargaining unit for the past few months workers have been picked on in the warehouse, dragged into backrooms and "offered" compromise agreements before being escorted off site.

This is the latest in a series of strikes by Fujitsu workers since 2003 that has slowed down the erosion of pay and benefits for IT workers. Indeed, they will be on strike again on 4th October during Tory party conference, with a mid-day rally opposite to where the CEO of Fujitsu UK and Ireland will be speaking at a fringe meeting.

It shows the state of play that white collar workers are striking, it is also a positive sign that although only a slim majority of unionised workers voted for strike action, it appeared almost all Unite members stayed away from work. However, it cannot be overlooked that a majority of workers still did go into work.

cleaning up the industry

★ Siobhan Breathnach writes on a fresh turn in cleaners' fight for a living wage

Cleaners in two workplaces in London have been striking for better pay and conditions. Both strikes, in the Guildhall in the City of London, and Senate House, University of London, started over unpaid wages.

In the Guildhall, cleaners walked out twice over unpaid wages. After they received what was owed to them, they started a series of demonstrations demanding the London Living Wage (LLW) and an end to abusive treatment. In the middle of the campaign, the cleaning contractor changed from Ocean to Sodexho, who started bullying the cleaners straight away. After two days they suspended the union rep, which the cleaners responded to with a noisy emergency protest.

At Senate House, the cleaners also walked out over unpaid wages. After a picket of

more than a hundred people they won payment of their wages and a settlement for a worker who had been victimised. They started holding demonstrations for the London Living Wage and for sick pay. They had a lot of support from students at Bloomsbury Fightback, and from workers in the UCU and Unison unions at universities like SOAS and Birkbeck.

These two groups of cleaners, although they have different employers and different unions (IWW at Guildhall, Unison at Birkbeck) have supported each other's picket lines and backed each other's disputes. The employers are trying not to concede anything over pay, but other universities, such as London Met, are now paying the LLW. If the fight wins at Guildhall and Senate House it could have an important knock-on effect on the cleaning sector in London.

sparks fly in electricians' dispute

★ Siobhan Breathnach reports on the battle over wages in construction

The decision by eight construction firms to cut pay and conditions for electricians and pipefitters has led to protests at sites across the country. The conflict is because the "Big Eight" of construction employers want to withdraw from the JIB (Joint Industry Board) agreement on pay, grading and seniority.

Employers want to bring in new grades of semi-skilled electricians earning £10.50 and £14 an hour instead of the current hourly JIB rate of £16.25. The protests have been going on for several weeks now and have included some direct action. People have blocked roads and site gates and, at the Tyne Tunnel site in Newcastle, got work stopped for four hours as the management told people not to start until ten. There have been unofficial walkouts by electricians at Saltend, West Burton and Grangemouth power stations.

Union density is very low in the construction industry, around ten to fifteen per cent in many areas, and after some major defeats, for years it has been very difficult to organise. However, the protests are already having an effect, as the building firm MJN Coulston has now said they will stick with the JIB agreement. The protests are demanding a ballot from Unite, and calling for strike action across the industry.

The site occupation

On 21st September at 7.30am hundreds of electricians briefly occupied a building site. The demo involved some 250-300 people, and started out next to Farringdon Station.

After a few speeches, one of the organisers said that at the TUC conference Unite had called for civil disobedience, and it was

illegal to hold a march without permission, but would we like to do some civil disobedience? People shouted "yes!" and we marched through Smithfield meat market with a sound system playing *Louie Louie*, watched by the meat packers and porters. We gathered again at the front entrance of the building site, one of the "Big Eight" who want to opt out of the JIB agreements. We listened to Desmond Dekker's *The Israelites* and a few more speakers, including from the RMT and from Royal Mail, and then someone announced that we were going to occupy the site, and straight away we started going in. The security rushed to close the gates and we had to run through, then some very big security guards started grabbing people and we had to tussle to get past them and climb under some barriers, but we got onto the site quickly, shouting SMA - no way! (Which had me and the other non-electricians confused for a while - SMA is the new semi skilled grade they want to introduce.) Inside we stood surrounded by cranes and watching builders while the organisers made some more speeches and the police started to arrive in numbers. There was a huge cheer when we heard that simultaneously people were blocking the motorway tunnel in Newcastle. After a very brief stay the organisers announced (to some boos) that we were going to leave with an 'orderly retreat' and we marched out to the tune of 'A message to you Rudy'.

I felt the occupation was very brief but more than that I thought we were missing chances to communicate with other workers. When we marched through the meat market we didn't have any leaflets to give the meat porters except *Socialist Worker* ones. When we were on site the only communication was via the megaphone, we weren't going up to people and talking to them. So far Unite have said that they will ballot for strike action but haven't said when. The changes come in to force in early December so people were saying they need a ballot quick. There has already been one unofficial walkout outside London and people were calling for more.

rank-and-file initiative launched

★ Adam Ford writes on the 'Sparks' group

A group of electricians calling themselves 'The Sparks' are justifiably skeptical that Unite bureaucrats will successfully wage a struggle in their interests. The Sparks' strategy so far has been to remain within Unite, and yet organise their own parallel rank-and-file protests and actions through an elected strike committee.

This committee was elected at a London meeting on 13th August. It contains four serving electricians, one blacklisted electrician, and Jerry Hicks, the defeated 2010 'left' candidate for Unite general secretary. Since then, the committee has organised protests at several sites including a Balfour Beatty site in Blackfriars, and the new Westfield Centre in Stratford. For its part, the Unite leadership have distanced themselves from this action, and are merely asking non-unionised electricians to join up.



★ electricians have organised their own actions

This dispute is well worth keeping an eye out for. The employers want to bring in the new pay rates for March next year. Before then, The Sparks will want to escalate their action, perhaps go out on strike, and bring in construction workers from other unions, such as UCATT and GMB. This is a struggle which has the potential to 'spark' others throughout construction, and various different industries. But to achieve that - and indeed to defend their own living standards - the Sparks will have to resist all attempts to water down their tactics, or to take the fight out of their own hands.

a weekend camping at dale farm

★ Daniel Harvey writes on the travellers' fight against eviction

Two of us made our way for a brief stay at the traveller encampment at Dale Farm. This is the 'illegal' settlement of more than 80 families of travellers on a disused scrapyards supposed to belong to the greenbelt.

The travellers bought the land ten years ago, but could not get planning permission from Basildon council. The council has refused to provide any alternative plot, making it clear that they want them out of their area permanently and are willing to spend the millions of pounds necessary on making this happen.

A legal fight has now ensued over the council's right to evict, which as of the time of writing, has led to a temporary reprieve, and inflated costs for the council: an extra £1.5 million for every day of delay. Whether or not the community is expelled is in the hands of a High Court judge, who narrowly rescued the camp as the bailiffs neared.

On our way to the camp, we tried to make direct contact with the locals. We asked for directions from everyone we passed, although we already knew them by heart, and we found that for the most part the local hostility was not as great as we had expected. One gentleman stopped to talk to us - he told us about his time defending West Berlin from the USSR, "I love guns" he told us, but in the end he thought we could agree to differ. A pharmacist told one of us to move on in no uncertain terms, but for the most part there was a sullen sort of restraint in their dealings with us. We asked a woman through her speaker system, standing outside the tall iron gates outside a large house, and actually, her civility made it through the paranoia - "are you activists?" she asked, we answered, and she came back in a knowing sort of tone, "oh I see".

We met a young man, a local builder, walking up the path just leading up to the camp and he stopped to talk to us about the problem of the travellers. We might have come across as a bit mad to him - he asked us more than once why anybody would come all the way from North London for this. He stuck to the legalistic line, it was nothing about them, the travellers - it was just about "fairness". His dad had had his house refused planning permission for an extension, so why should they get away

with building on the greenbelt? After a lot of discussion it did come down to a different sort of defence, "well you try living near them" and he related how stones were thrown at him when he and his dad had tried to speak with them.

But divisions also existed within the Dale Farm camp. Walking up through the gate and along a path, we found Camp Constant, a small enclosed activist ghetto with its own gate. Inside you see that strange (for some, familiar from Climate Camp) sub-culture, with lots of colourful trousers, dreadlocked hair, and lashings of straw, which was thrown on the ground everywhere. When we introduced ourselves and said why we had come, one of us came out with a statement about challenging racism, and we were asked by one person whether we really meant what the nice words said - with the obvious implication of insincerity.

We moved a few big objects up to the barricades at the front of the camp, but we quickly found out that the defences were a bit inadequate, to say the least. Nobody could really expect them to last against bailiffs with £18 million pounds of funding. The many children who hung around pointed at us, and had a bit of a joke at our expense. Afterwards we decided to go to the shops and were given a lift by two women travellers who were in their early twenties. They seemed ambivalent about it all - they asked us why we came, but they didn't talk about the eviction very much. On the way back through the gate, one of them pointed at the sign "we won't go!" hung there - "it shouldn't say that" she said, it should say "we want to go!" We couldn't find out how deep that feeling was in the camp.

The slightly perfunctory nature of the defences was illustrated when we volunteered for guard duty out the front. It turned out we were rather over-eager in checking who was driving in and out, and we struggled to think why exactly we were stood there. Even so, the three activists in charge of defence seemed on the ball with their walkie-talkies. They regularly changed the frequency even though they knew the police and bailiffs wouldn't find it hard to tap in when they wanted to.

The next day there was a meeting which no travellers attended, apart from one older gentleman who came in half way through

and joked with everyone, but was obviously nonetheless a bit of a frustration to all the planning being done by activists. In terms of organisation, the obviously senior people in the group, the younger men who had been at the camp 'forever', as they put it, told everyone what tasks needed doing, and people volunteered. There wasn't any real attempt or talk about reaching out to the travellers or interacting with them. We were told by someone at the start not to go up to people and talk to them, and they obviously had either given up or were unwilling to draw them into their own area.

"Are you activists? Oh, I see..."

On the whole, it's difficult to really take lessons from all of this. We felt that the anti-political tone of the activists at Dale Farm, which translated over into a reticence about talking politically at all, and in 'imposing' themselves by meaningfully interacting with the people they were defending, seemed rather inadequate. It should obviously be said that they have done well to delay the eviction enough so that the legal route now seems to show at least some potential for a reprieve.

But support for travellers raises general political problems. Challenging the separation between local working class people and the travellers, as well as between ourselves as political activists and both of those groups. Moreover, among the wider working class there is a deep reservoir of feeling against travellers, and challenging this is difficult without being tarred with the brush of do-gooder liberals imposing their 'politically correct' norms.

Challenging this ingrained form of racism above all requires honesty. We have to show how political solidarity can transcend negative stereotypes, even if these really do have a basis in fact - I don't doubt the honesty of the young man who talked about the stoning and aggressive behaviour towards him and his dad. Challenging racism has to mean absorbing the negative attitudes and behaviour on all sides and showing a way past them.

a state of uncertainty

★ Pete Jones writes on the Palestinian bid for statehood at the United Nations

A 'Palestinian Spring' was declared by Mahmoud Abbas in his request to the UN to recognise full Palestinian statehood, but it looks quite different to the revolutions across the Arab world that he was alluding to. Rather than the victory of a people over the machinery of a totalitarian state, the 'Palestinian spring' may prove to be just the latest example of Palestinian hope for liberation being used as a political football. Whether statehood would be a 'good thing' for Palestine is tough to predict.

What statehood would mean for Palestinians in the West Bank and Gaza is unclear, what advantages it would bring even less so. The theory is that it would grant Palestine more leverage in future peace negotiations; the talks would be between two recognised states, and the Palestinians would be able to both show that Israel is occupying a sovereign state and have recourse to the international criminal court. This doubtless fuels Israeli (and therefore American) opposition to the bid, but there are further complexities.

Abbas and the Palestinian Authority (PA) are desperately unpopular in many parts of the West Bank and Gaza. Already seen as grown flabby on Western cash given in return for policing their own people, the PA was further humiliated when the 'Palestine Papers' exposed the knee-bending obsequiousness of Saeb Erekat, the chief Fatah negotiator in peace talks. Recovering from such setbacks looked near-impossible until the changed diplomatic landscape in the wake of the Arab Spring led to a superficial reconciliation between Fatah and Hamas. This façade of unity has allowed Abbas to make his statehood bid. Fatah has encouraged mass demonstrations of support for the bid in the West Bank and many Palestinians seem enthused by the prospect of full recognition as a state. So far it has proved a political triumph for Abbas, who is suddenly being described as a hero for resisting American and Israeli pressure to back down on the issue.



★ Palestinians rally in support of Abbas' UN speech: but doubts remain as to the prospects of an equitable peace

However some Palestinians question what difference statehood will make to the intractable situation on the ground, where Israel is – and will still be – very much in control. Opponents of the bid argue that state status will mean that the PLO will no longer be able speak for the Palestinian nation (including the refugees and diaspora); instead, a Palestinian government will only represent those living within the state's boundaries. The question of Palestinians' right of return to land stolen from them during the creation of Israel – considered by most Palestinians to be the most important of all their demands – will no longer be on the negotiating table, as the Palestinian state will be unable to speak for the refugees.

The plan may also backfire. If the US moves to stop Palestine winning enough votes for full UN membership, Palestine may be broadly recognised as a state but will lack sovereignty. The Palestinian pseudo-state would remain a lame duck at the negotiating table, and one can almost hear Israeli PM Benjamin Netanyahu, after the next round of failed peace talks, saying "they have their state recognition, what more do they want?" Finally, there is the chance that Palestinian success at the UN will inspire settler violence or that failure

will see Palestinian frustration boil over into a third 'intifada', or uprising.

International solidarity with Palestine tends to manifest itself in boycott, taking its cue from the Palestinian Boycott Divestment and Sanctions National Committee (BNC). Tellingly, the BNC, a broad civil society coalition, was unable to reach a consensus of firm support or opposition to the statehood bid, stating only that "recognition of Palestinian statehood is clearly insufficient, on its own, in bringing about [sic] a real end to Israel's occupation and colonial rule." Despite this, a number of Western organisations – most prominently Avaaz – have taken it upon themselves to encourage Western support for the bid: 'Save the 2-state solution' cries Avaaz, either unaware or unconcerned that many Palestinians still hope to reclaim the land they were forced from in 1948.

The urgent need to have 'a position' on the international issues of the day compels organisations to take sides but this question of statehood is a purely Palestinian concern. While Palestinians are divided on the issue and Abbas seems to be engaged in little more than political posturing, it feels inappropriate to demand either support for or opposition to the so-called 'Palestinian Spring' statehood project.

a very political crisis

★ David Broder looks at the crisis in Italy and its meaning for Europe

"I couldn't give a fuck. In a few months I'm going to go away and mind my own fucking business. I'm leaving this shitty country, it makes me feel sick"

- Silvio Berlusconi, 1st September

On 29th September Italy's *Corriere della Sera* published a letter previously sent to Silvio Berlusconi, demanding that he make sweeping cuts in government spending and 'reforms' in labour laws to push down employers' costs.

The letter, originally sent to the Italian PM on 5th August by the heads of the European Central Bank (ECB) and Bank of Italy, reflected the ruling class pressure to slash workers' rights and public service provision in Italy, in the name of 'reducing the deficit'. ECB power over Italy is very real, as it buys vast quantities of Italian bonds just to keep it afloat.

Italy, like Spain, may well even more of a headache for Europe than Greece. Italy has already seen its bonds in freefall and the 20th September Standard & Poor's cut in its credit rating. The greater threat is that whereas the Eurozone may well be able to bail out Greece, Italy is simply too big to stage a repeat performance.

The ECB dogma is that the best way to keep Italy afloat is to lessen the 'burden' of working-class living standards (funny, that!), and it exerted pressure for harsh cuts. Indeed, on 14th September the Italian parliament voted through '*la manovra*', the repeatedly-altered austerity programme authored by Berlusconi's Finance Minister Giulio Tremonti. The bill plans some €60 billion (£52 billion) of cuts over two years, including massive reductions in pensions, an end to millions of workers' tax rebates, and moves to make it easier for employers to sack workers.

Tremonti has styled himself as a neo-liberal hawk and battler for the ruling class, justifying the budget on the basis that "We can't be like the Titanic, where they didn't even manage to save the first class passengers". This is somewhat in contrast to Berlusconi, apparently far too



★ A changing of the guard?
Berlusconi is mired in economic malaise and personal scandal

embroiled in personal scandal and his own business interests to pay attention to the economic crisis. He even failed to show up for parliament during the early readings of the budget, doubtless also keen to allow his factional rival Tremonti to take all the responsibility for cuts.

Editorials in the centre-left paper *La Repubblica* complain that the crisis is 'political': Berlusconi cannot lead as he is too beset by scandal and has no credibility abroad. Indeed, it is remarkable that a Prime Minister would be able to remain in power even while on trial on charges including paying for sex with a 17-year-old prostitute, corruption and abuse of power. Berlusconi's behaviour is of course an appalling example of arrogant ruling-class power and the sexism which goes with it. He has no obvious concern in supporting employment or reviving the economy. With rumblings from his coalition partners, his days are clearly numbered.

However, another aspect of this opposition narrative is rather less palatable. Essentially it argues that capitalism is in a bad way and this demands radical 'reforms' by a focused albeit politically broad government, unlike the narrow-minded Berlusconi with his outrageous antics. The ruling class in general condemns the short-sightedness of one individual capitalist.

Technical government

In 1991 the Italian Communist Party (PCI) fell together with the USSR. It was little coincidence that in the following two years all the major Italian parties broke apart: the trigger was a long-brimming corruption scandal, exploded by the removal of their common enemy, the PCI. In 1993, to quell the political storm the Bank of Italy governor Carlo Ciampi headed a 'technical government'. It pushed through a wave of privatisations in just months. The ruling class could get back on its feet without democratic scrutiny and then, later, go to the polls. In 2011, business leaders like FIAT's Luca di Montezemolo have been fishing for a role in a similar kind of administration.

Berlusconi's Forza Italia (now PDL) party arose from the fallout of 1993, filling the gap on the right. But today his value to the ruling class is ever-decreasing. This is much in contrast to the opposition Partito Democratico, the ultimate descendent of the pre-1991 Communist and Socialist parties. Today it models itself on Obama's Democrats, and its leader Pierluigi Bersani leads calls for a 'technical government' to re-stabilise Italian capitalism.

The underlying idea of national cross-class consensus also has a certain echo in the trade unions, with general secretaries and the Italian business federation making repeated joint appeals for measures to encourage growth. And despite a one-day strike by the CGIL union federation on 6th September, politicians' battle to unseat Berlusconi seems a far more powerful factor in the situation than the anti-cuts movement in the unions. The radical left is weak too: the post-Communists lost all their seats after propping up a series of neo-liberal social-democratic rulers. With no left alternative to Berlusconi, his only likely replacement is the more far-sighted wing of the capitalist class, as represented by the Partito Democratico.

In Greece we have already seen 'Socialists' take power from the right, all the better to impose ECB cuts without serious opposition. The old Italian conservative establishment fell in 1993 with similar results. Sadly it seems the coming end of the Berlusconi era will be little different.

the whac-a-mole approach to fixing the euro

★ Oisín Mac Giollamóir explains European politicians' ongoing failure to avert crisis

The great experiment of the European Union has continued its bizarre march into oblivion. I wrote the 'unhappy economies' article in the last issue of *The Commune* in early August, shortly after the Greek 'bailout' of 21st July. Since then much has happened... but equally, nothing much has happened.

First, how has the 21st July bailout worked out? Different for different countries. Oddly, for Ireland, things are looking rosy. The interest rate on two-year government bonds is now just over a third of what it was in late July. This has resulted in some bold confident statements from the Irish government about their achievements that are almost certainly a bit premature. For Portugal, Spain and Italy the story is slightly more complicated. While the bailout was supposed to restore confidence, within a fortnight the decline in interest rates for these three countries had reversed. For Spain and Italy their interest rates were higher in early August than prior to 21st July. It seemed momentarily that the break point had finally arrived. That European Commissioner for Economic and Financial Affairs Oli Rehn's bushfire was no longer in anyway contained. It had spread to the core. Greece first, then Ireland, Portugal, Greece again and now... Spain and Italy both at once! Not surprisingly, finally after three years of inaction, the ECB finally took decisive action and intervened heavily in the market. And, it worked. The panic ended. But like in a game of whac-a-mole, once one mole has been hammered out of site another pops up.

As mentioned in my previous article, the ratification of the July deal could pose problem and indeed it has. Following the electoral gains of the extreme right True Finns in April's general elections, the Finnish government has started causing trouble. They demanded that Greece post millions of pounds in collateral against the Finnish part of the loan. And the crisis trundled on. Interest rates for Portugal started to rise again. They are now close to where they were pre-21st July. Spain's



★ The German Chancellor and the President of the European Central Bank calm market fears

rates also rose but have remained well down from previously. And Italy's also started to climb. As the Italian austerity plan took longer to work out, Jean-Claude Trichet, president of the ECB, insisted that the austerity plan be implemented and swiftly. The market were unimpressed as Ignazio Visco, the Bank of Italy director general, warned that the austerity plans were likely to reduce growth and make it harder for Italy to cut its deficits. The rating agency Standard and Poor's seemed to agree. They downgraded Italian debt stating the "negative outlook reflects our view of additional downside risks to public finances related to the trajectory of Italy's real and nominal GDP growth, and implementation risks of the government's fiscal consolidation program."

So far so bad, but what about Greece, the country at the centre of the July 'bailout': and here is where it looked worst. In July, the interest rate on two-year Greek government debt was at the ridiculous level of the mid-1930s. To put that in context, the interest rate on this kind of debt for the UK government is currently

around 0.5%. Today for Greece, the interest rate is around 70%. These are wonga.com type interest rates. There is almost nothing that can be said about them. But this is truly fucked.

The situation with the Eurozone is getting worse and worse. And no realistic effort is being made to fix the situation. And given the negative reaction in creditor countries, it is hard to see a solution developing. The longer this is kept on the long finger the bigger the problem gets and the more difficult it will be to deal with it.

Suffice to say, that as it stands unless something drastic is done the Eurozone will not last more than a further year or two. If the Eurozone collapses, the EU will be extremely weakened. Indeed it may wither away. We may see the rise of nationalism, the further dividing up of the European working class along national lines and the prospect of military aggression arise once again on this bloody continent. The something drastic remains more likely than this kind of disaster scenario. But unfortunately, disaster is becoming more and more imaginable.

three myths about the crisis

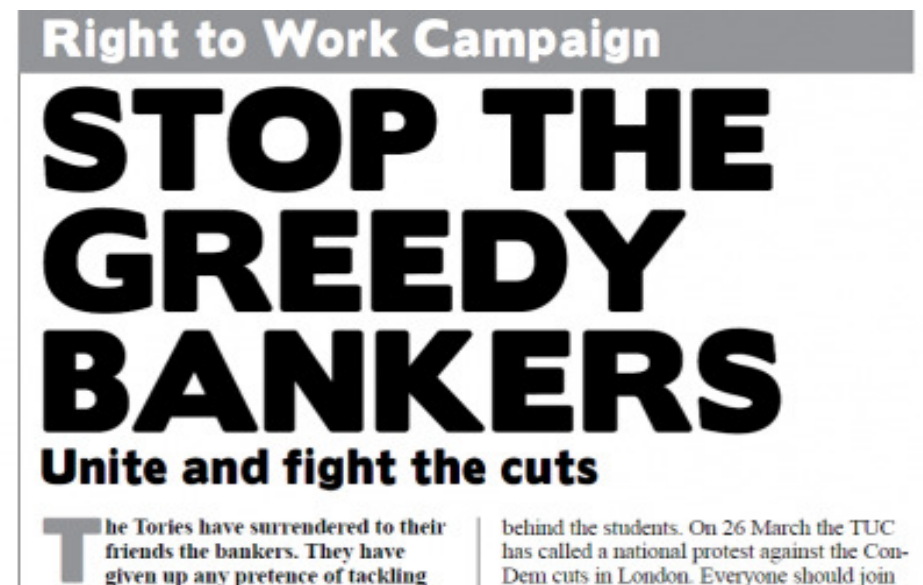
★ Conrad Russell challenges common left myths about the meaning of the crisis, highlighting the significance of class struggle in shaping events

This article is designed to question a number of theoretical assumptions implicit in much Marxist – including autonomist or left communist – writing on the crisis. In particular, I want to question assumptions around capitalist contradictions, capitalist decline, and the role assigned to financial and ‘fictitious’ capital.

My argument is that these assumptions paint a model of a decaying ‘collapsing’ capitalism (hence my term ‘collapsism’). They also fetishise the mechanics of capitalist functioning at the expense of the real social relation underlying them – the class struggle. It is class struggle, not some quasi – mystical ‘debt meltdown’ or ‘falling rate of profit’, which constitutes capitalism’s *permanent crisis*.

Contradiction

Too often, there is a tendency, in Marxist writings on the crisis, to see the famous ‘irresolvable contradictions’ at the heart of capitalism in purely mechanical terms. The rate of profit is falling, financial capital is strangling ‘productive’ capital, and various occult ‘fixes’ involving trading debt are all that is keeping capitalism on life-support. The crisis, it is argued, results from the inexorable ‘tightening’ of these contradictions, as the fixes stop working. Implicit to this view (if unintentionally) is an understanding of capitalism which represents it in the same way that an ‘orrery’ – a clockwork model – was used to represent the solar system in the 18th century. This analogy is used by the Marxist Historian, E.P. Thompson, in his critique of Althusser’s ‘structural’ Marxism



★ much left analysis of the crisis leans on a shallow understanding of the financial sector

(see his book *The Poverty of Theory*). In this mechanistic account, the capitalist ‘orrery’ has inherent flaws, which will ultimately lead to its collapse. The problem with this model is that it takes the *appearance* of the system – as a system of objective, interacting, determinate, yet contradictory, laws – as its *essence*. In the process, this analysis ignores the one fundamental contradiction within capitalism – the appropriation of private social labour through the market mechanism. Capital, try as it might, can never abolish social labour.

In the words of Simon Clarke (in the edited collection *The State Debate*) – as capitalism reproduces itself, it always *reproduces the working class as a barrier* to capitalist accumulation. This barrier may be a weak, atomised one, dispersed in precarious labour, atomised in home-owning

households, divided by ‘race’ and ‘gender’, but it is always there. All the other contradictions flow from this one – they are not autonomous forces inscribed within capitalism’s ‘laws of development’. The contradiction is social and political, not technical and economic.

Dominance of financial capital

It is often argued that the rise in unproductive ‘financial’ or ‘fictitious’ capital is an unavoidable feature of ‘late’ capitalism, which both intensifies capitalist crisis, and pushes capital to ever increasing levels of abstraction and unreality. The argument usually goes something like this – because of a decline in capitalist accumulation (the

'falling rate of profit'- discussed below) a form of fictitious growth has taken its place, through the inflation of money capital. M is transformed into M' (profit) via derivatives, inflation of property prices etc... Whilst it is true that such capital is fictitious because it does not involve the creation of new value (only social labour can do that), it is not true that this is the only kind of 'accumulation' available to the bourgeoisie, to stave off otherwise inevitable collapse.

“The notion of a ‘real productive economy’ – as fictitious capital’s ‘real’ counterpart – is bourgeois. It is no accident that orthodox Communist Parties, whose model was ‘Soviet’ state capitalism, made much use of this concept in their attempt to form popular fronts with the ‘productive’ sections of their respective national bourgeoisies”

Rather, this is a *political choice*. Isidro López and Emmanuel Rodriguez in 'The Spanish Model' (*New Left Review* no. 69) make clear that the inflation of the Spanish housing market allowed the 'wage' to rise – in the form of debt secured against property – as house prices kept rising. This secured 'growth' without *actually* raising wages, taxes, employment, or, crucially the concentration and centralisation tendencies of Capital and therefore working class power - a model which they term 'asset-price Keynesianism'. The issue here is whether this is the *only strategy left*. Is this Capital's 'last gasp' or the most attractive option for a particular capital fraction at a particular time? If ultimately, this 'asset growth' approach is exhausted, what inherently prevents a switch back to 'productive' capital investment? In a recent article, Oisín Mac Giollamóir (*The Commune* no. 24) argues that such asset-inflation is relatively marginal within the

capitalist economy, when compared to profits derived from the exploitation of labour. This suggests capital has more room for manoeuvre, and more options, than the 'collapsist' model suggests.

There is also a more fundamental problem in the way that the concept of 'fictitious capital' is used. Whilst it is true that self-inflating money capital is adrift from the 'underlying' value produced by variable capital (labour), we must remember a fundamental, apparently obvious, but much neglected point. *Value is in itself inherently 'fictitious'*. It is not inherent in social labour as such, but is imposed upon it. Labour Value is rooted in the accounting of labour in terms of (necessary and surplus) Labour Time, which only emerges at the point at which social labour is separated from appropriation – under Capitalism. It is when labour becomes commodified, that 'valuing it' (in terms of clock-time) becomes necessary to govern its exchange on a market (in terms of money). As Marx observes, all (bourgeois) economy is economy of time. E.P. Thompson (in *Customs in Common*) discusses the long history of working-class resistance to the shift towards working to the clock, rather than the demands of a specific task – which was inherent to the introduction of wage-labour.

Whilst the concept of fictitious capital may be useful when used cautiously, the notion of a 'real productive economy' – as fictitious capital's 'real' counterpart – is bourgeois. It is no accident that orthodox Communist Parties, whose model was 'Soviet' state capitalism, made much use of this concept in their attempt to form popular fronts with the 'productive' sections of their respective national bourgeoisies. Of course it is true that fictitious capital has a fictitious relationship to value – but this is a fictitious relationship to a fiction. All 'value' is at root an ideology, a set of imaginary social relations imposed by real and symbolic violence everyday on living social labour. Value makes no sense outside of private property, market exchange and rational accounting of labour time, which reduces living social labour to an abstraction. Getting worked up about dodgy debt bonds or banking sleights of hand distracts us from this essential reality.

Blaming fictitious capital for the crisis is a *fetish* – a bestowing of 'magical' powers upon an object – in the same way that fetishising commodities gives them an

inherent value they do not possess. The nature of both 'real' commodities (a raincoat, or a brick, or a copy Marx's *Capital*) and of 'fictitious' bonds, shares, futures etc... derives from social relations which are antagonistic – from the exploitation of living labour. And thus both can only ultimately be understood from the perspective of class struggle.

Falling rate of profit

There is an observable tendency for the proportion of capital deployed in production represented by plant, machinery and infrastructure to increase over time at the expense of living workers. Only workers – not machines – create value, so profit will decline as the ratio of workers to machines does ... unless counter-tendencies are in operation. These include raising productivity (output per unit of wages) or cutting wages or raising prices. In order to really understand the issue of 'falling profit' we need to examine it in the light of concrete social relations. Capitalism separates workers from what they produce, in exchange for a wage which represents only part of labour-time, that deemed necessary for survival – this portion is 'negotiated' through the class struggle. In exchange for a wage, workers produce what they are directed to produce, with no control over the process, or the end product.

The commodities workers produce (objects in which labour is embodied) pass through market exchange to realise (release) the value labour has embodied in them. As this value exceeds the value of the wage, this is the source of profit. Thus living labour is transformed into 'dead labour' – stored up in marketable objects which have a 'life' of their own, severed from those who created them, a life as consumer objects or as constant capital (machines and material for production). Capitalists are forced under the pressure of competition to constantly expand production by reinvesting the value realised by exchange – either as money value (stocks, investments) as constant capital bought with money value (plant, machines), or by purchasing more labour. This reinvestment typically leads to 'dead' labour crowding out living labour, as mechanisation increases. Thus, the more commodities are produced (under the ceaseless pressure of capitalist

competition), the more go round the circuit back into production, as semi-finished goods to be worked up, as machinery to govern labour, or supervise and control it (computer monitoring, CCTV etc.)

Thus, as Marx concludes, under capitalism, dead labour 'weighs like a nightmare on the brains of the living'. The growing mass of dead labour is turned against the workers who produced it. The more they labour, the more they are separated from labour and the more it is turned against them. This contradiction at the heart of capitalism between dead labour and living labour becomes a stake in the class struggle – for example, machine breaking and union struggles over control of assembly lines, where living labour takes on dead labour. What is often at stake here is the use of dead labour precisely to increase productivity (automation) and act as a brake on falling profit. In other words, the rise in dead labour (machines) makes the remaining living labour more productive, so profits shouldn't fall – unless workers fight back against speed-ups.

Thus, there is no automatic falling profit rate – rather it is precisely contingent on class struggle against the stranglehold of dead labour. So, in consequence, there is certainly a 'tendency' for successful class struggles to cause profit rates to fall. The 'hot 1970s' – where factory workers pushed wages close to, or above productivity gains in Italy and the US – are an example. A 'freeing up' of capital to flow to lower wage zones with repressive labour laws, the crushing of Allende's social democracy in Chile, and de-industrialisation and a shift to atomised service industry in the UK were all parts of the bourgeois response. So was a shift to 'asset-price Keynesianism' and financial capital (also boosted by the freeing of capital controls to weaken labour).

My argument is that this shift to the neo-liberal asset-led model was an assault in the class war, not a rearguard action to shore up decadent collapsing capital trying to escape the inevitable Fall of Profit (a near-Biblical vision of Apocalypse). This was an *inactive strategy* – just, as, I argue, are bourgeois responses to the current crisis. Taken as an abstraction, an autonomous dynamic under capitalism which drives it as a system (i.e. a fetish), the falling rate of profit *does not exist*. Rather, it is historical



★ The crisis is a social struggle over the price of labour

and contingent, and a 'stake' in the class struggle.

The crisis

It could of course be argued that the points made above are self-evident, but abstract. One could object that you can reduce the mechanisms of crisis and capital accumulation down to class struggle, but that this just makes a fetish of that struggle rather than of fractional reserve banking or falling profit rates. So I want to sketch out briefly here what an account of the crisis based on my premises here might look like, and why it is important in understanding the crisis politically. Evidently this is an impressionistic sketch, not a full analysis – I'd hope it might however spark debate about alternative ways of developing such an analysis.

The crisis needs to be understood as a struggle over the wage – over the balance between socially necessary and surplus labour time. Firstly, austerity in Southern Europe, the US and elsewhere has led to cuts in wages both absolutely (cuts in the money wage) and relatively (where the wage is not directly cut, but inflation is allowed to cut into the wage; i.e. the UK public sector pay freeze). Secondly, the surplus value capitalists have previously been forced (under the pressure of class struggle) to return to workers as a 'social wage' (benefits, health services etc...) is being cut to 'pay for' the debt crisis. Thirdly, rising house prices allowed workers to finance consumption through borrowing secured on assets (asset-price Keynesianism). This debt-financed consumption formed a 'fictitious' component to the wage itself. As interest rates go up, this 'virtual wage' disappears.

Finally, increases in working hours without pay increases and increases in lifetime working (pension 'reform') serve to increase socially necessary labour time – time worked to ensure survival – and thus are another attack on the wage.

The crisis is *a social struggle over the price of labour*. It is a particularly harsh and vicious one. In Europe, the most vulnerable and poorest workers – precarious labour, women, public sector workers and above all, those on the 'periphery' (Spain, Greece, Ireland, Portugal) are paying the highest price. The crisis is not a result of Capitalism's senility (stalling accumulation) decadence (fictitious capital) or decline. Capital can precisely flourish in the midst of utter misery and jobless growth is hardly a new phenomenon. And the push to cut wages is precisely to brake falling profits, by reducing the 'cost' of labour. Asset inflation is not the only weapon available in capitalism's arsenal to help sustain the profit rate.

Of course, proper theoretical work on the crisis needs to carefully examine the mechanisms of debt, credit ratings, asset inflation, and, yes, fictitious capital. However, this work needs to start from an understanding of the essential causes of the crisis – not overheating machinery in the engine-room of moribund capital, but a crisis in the previous class settlement, of which domestication of debt and asset inflation were a part. A politics of working-class self activity cannot fetishise the crisis by pointing to 'failing' bits in the circuits of capital accumulation. We should be clear that capitalism is in *permanent* crisis because of the antagonism between social labour and private appropriation at its heart.

a beginner's guide to marx's *capital*

★ John Keeley attempts to explain cyclical crises and longer term trends

“A critique of political economy” was the subtitle of Marx’s book *Capital*. The political economists portrayed profit, rent and wages as the just returns for the three factors of production: land, labour and capital. Marx argued that such surface level appearances were seriously misleading: that both profit and rent actually came from value created by workers. Furthermore, that capitalism was just the latest mode of production and that because of its contradictions would be replaced by communism.

Marx’s book on capital was part of a wider plan. He also intended to write books on landed property, wage labour, the state, international trade and the world market. As it turned out he only managed to publish volume I of *Capital* with volumes II and III being published after his death.

The first part of volume I, ‘Commodities and Money’ is widely recognised as the most difficult part of the book. To fully appreciate what Marx is trying to say it is worth reading it alongside David Harvey’s *A Companion to Marx’s Capital*. Marx defines the commodity as something produced for sale, not for immediate consumption. Commodity production is what largely distinguishes capitalism from previous modes of production. A commodity has use-value and exchange-value. A thing has a use-value if it can find a use, whereas “exchange-value appears first of all as the quantitative relation in which use-values of one kind exchange for use-values of another kind”, e.g. one pair of shoes equals 25 pairs of socks. The fact that commodities can have this quantitative relationship is because, as Adam Smith recognised, “labour is the real measure of the exchangeable value of all commodities”. Marx did however make an important qualification to Smith and David Ricardo’s labour theory of value. For Marx the value of a commodity is not the amount of concrete labour actually expended, but that portion of social labour that is credited to that commodity in the market. A commodity becomes the ‘universal equivalent’, in other words money. Historically this role has mainly been filled by precious metals, gold in particular. All commodities can be expressed in terms of monetary values, exchange-values, that ultimately reflect the portion of social labour the market credits

them. The important point that Marx is making is that the market is a particular way of allocating social labour. It is a human invention and although not exclusive to capitalism, markets are not eternal like the weather. They are not something that has always existed or need exist in the future.

Marx then goes on to describe the general formula for capital: $M - C - M'$ (money – commodities – more money). This addition to the original sum of money laid out is called *surplus value*. This is an important term. Marx’s great insight was to show that the source of surplus value (essentially profit) lies in the difference between the value of labour-power (the wage) and the value created by labour. This is the key insight that shows that workers are the source of all profits.

The capitalist not only spends money on workers’ wages (*variable capital*) but also raw materials, machinery and factories (*constant capital*). Economists have argued that by investing their money instead of spending it the capitalists by foregoing consumption ‘earn’ a return on their investment. Marx explained that all constant capital is the result from earlier living labour; somebody had to make the machines. Hence constant capital is also known as ‘dead labour’. It is the result of earlier capitalist exploitation of workers.

The difference between variable capital (labour) and constant capital is only the former adds value in production. This is because wages are generally less than the value created by labour, whereas the cost of machines, through depreciation, gets past on in the price of the commodity. In other words, machines exchange, in general, at their values, but labour is the only commodity that doesn’t. Hence the *rate of exploitation* is a key measure. It is defined as the percentage of workers’ time that the capitalist ‘steals’ as surplus value relative to the amount the worker gets in wages, (rate of surplus value = surplus value divided by variable capital).

Surplus value can be increased in absolute terms by increasing the length of the working day, or in relative terms by increasing productivity, which means the amount of time necessary to produce the means of subsistence for workers falls as a percentage of the working day. It is competition that drives capitalists to

increase productivity and so gain a competitive advantage. But although this is beneficial to the cutting-edge capitalists, as other capitalists follow suit or go out of business, the increase in productivity by lowering the value of labour relative to constant capital means the *organic composition of capital* increases. A greater percentage of capital goes to non-value adding constant capital rather than variable capital (labour). So what benefits individual capitalists initially, ultimately works against them by lowering the rate of profit.

In volume II Marx considers the circulation of capital. He shows that alongside the rate of exploitation and the organic composition of capital, that the circulation time also affects the rate of profit. Marx observes that labour employed in the circulation of capital (except transport) is unproductive labour. That is, these workers do not add value by producing surplus value. Volume II is also where Marx introduces his reproduction schema whereby he considers how capitalism reproduces itself. Marx divides capitalists into those that produce the means of production and those that produce the means of consumption. Such a division is useful when considering things like changes in productivity. For example, greater productivity gains in department I relative to department IIa will mean that rather than an increase in the organic composition of capital, there is in fact a decrease and so a higher rate of profit.

Volume III is where Marx, having abstracted out complexity to get to the essence of the capitalist system, adds back in the complexity and returns to the surface appearance of separate factors of production (land, labour and capital) getting their ‘just’ rewards. But Marx does not only show that all profit originates from labour and that the system is based upon exploitation of workers. He also argues that the days of the capitalist system are numbered. That through the long-term tendency of the rate of profit to fall, capitalists will be forced to further attack and exploit workers. Given the numerical superiority of the workers they must eventually win out and move humanity to a higher system, where the means of production are democratically controlled; that is communism. Capitalism sows the seeds of its own destruction, whatever the economists’ ideological cover for it.

life as a 'chugger' - owi

★ An ex-fundraiser recounts life working in the charity sector, where employers' 'ethical credentials' are far from the reality

As a bête noire of the mainstream media, right-wing and liberal alike, street and door-to-door charity fundraising is something that has had a lot of column inches and broadcast time devoted to it over the last few years. Unsurprisingly this coverage has almost exclusively sought to lump together workers with their employers and paint a picture of one homogenous group of 'chuggers' (charity muggers) collectively scamming charities and donors out of money.

With the vast majority of fundraisers aged between 18 and 30 and either without qualifications, or working the job to pay for studying, the image the media have sought to create neatly fits into both the on-going campaign of media hate directed at working-class youth, and populist rhetoric that portrays bankers, public sector workers and benefit claimants as somehow collectively conspiring to rob the rest of the country.

“When I got a job at Home Fundraising, I was bombarded with jibberish about how the director was a stockbroker who had an epiphany and became a Buddhist monk, before going on to set up the company – which *obviously* meant he would be a really fantastic employer, with all our best interests at heart.”



★ a friendly face may help drum up business, but charity fundraisers have to slave away tirelessly to even approach minimum-wage-level pay

Pyramid schemes and 'emotional contracts'

Of course, the industry is riddled with swindlers but it is the workers, not the charities they are contracted to, who are being exploited. The workforce is divided between those without contracts put to work as bogus-self employees, on commission, for direct marketing companies, and those working either directly for a charity, or for a fundraising company, who are paid a low basic wage and bonuses. In terms of the first group the most notorious company is called the Cobra Group, who set up their offices under various names (Platinum Force being their incarnation on Merseyside) and whose training amounts to cynical brainwashing that largely focuses on the potential amounts of money the young people who work for them could make.

The payment of their workforce is done through a bond scheme – which means

they commission earned for each person signed up to make regular donations is split in half, one half being paid to the fundraiser – the other being retained by the company for six months. If in that period the donor cancels their subscription, the fundraiser not only loses their bond – but then owes the office their original payment back as well. All of this is made legal by the bogus self-employment I referred to before – and means that a large section of people working for Cobra or similar companies leave their jobs supposedly owing their employers money. To all intents and purposes, Cobra and organisations like it are pyramid schemes which manage to exist in between legal loopholes, and have done very well out of a period where the number of young people denied access to training, education and employment continues to rise.

During the time I worked as a fundraiser it was with the company 'Home Fundraising' (HF) which is in the latter of the two groups I described. A large emphasis is put on the company being 'not

ng money to your boss

for profit' – which simply diverts attention from the large amounts being ploughed into the directors' wages. Whereas the direct marketing companies work on the basis of blinding young workers with drivel about what they could potentially earn, fundraising companies and charities rely on what amounts to emotional blackmail when it comes to exploiting their workforce. This is thinly veiled by the term 'emotional contract' – which managers seek to forge with the team leaders and fundraisers, who are in turn trained to do the same with potential donors. What this term means in reality is that everything to do with the job comes second to the demands of the charity. This relies on getting employees to view the charity not as their employer, but as a cause greater than them, which should come before their rights or needs as a worker.

We're 'ethical', don't you know...

Companies like Home Fundraising have benefited greatly from the naked exploitation of 'nasty' organisations like the Cobra Group, able to position themselves as the 'nice' alternative. When I got a job at Home Fundraising, I was bombarded with assurances of how 'ethical' the company was, reinforced with jibberish about how the director was a stockbroker who had an epiphany and became a Buddhist monk, before going on to set up the company – which *obviously* meant he would a really fantastic employer, with all our best interests at heart. Throughout the training there were many references to the unscrupulous behaviour of Cobra, and how much better HF was because they paid wages and you were a 'proper employee'. The reality is that the company hold the fact that they pay wages against the workers, and use every means they can to reduce them.

For example, from the Liverpool office we would often travel as far a field as Blackpool or Telford for a day's work and, rather than us being given *de facto* travel

payment, if we didn't hit our targets, we didn't get paid for our travelling time – and even when we did, it would only cover us for a maximum of one and a half hours (Travel from Liverpool to Telford is around two hours in each direction) The result would often be that we'd leave our office at 1pm, and would return home at 11pm, having earned only £35.

Whenever challenged on issues relating to travel pay, the company's response would be 'well, you are paid bonuses for your sign-up rate, therefore work harder and increase your pay'. The bonus scheme works out that if over a five day period you sign up more than seven people for £8.67 per month, every sign up after that point is worth £30, supplementing the £7 per hour you are paid for five hours a day. Whilst this might sound decent on the face of it, the reality is that the vast majority of the workforce do not regularly hit their bonuses, and so when you include travelling time it works out that the company are paying less than minimum wage – and much like Cobra Group, are able to do so legally.

Bullying, negligence and harassment

A favourite line for the company to whip out if you were lagging on targets would be 'you're stealing money from charities' and is perhaps the best reflection of the point I made about wage payments being held against the workforce. This reasoning would often be used in disciplinary hearings, which were handed out with no consistency, and a lot of of the time seemed to be based on personal dislikes taken by management. This comes on top of the fact that the company refuse to give sick-pay, and whilst insisting that it is a 'proper job' employ staff under the same conditions as the worst of precarious employers. Notable instances here included staff not being given paid breaks, not being given paid time off when injured in the course of work (I was badly bitten by a dog whilst working, and was told to

take two days off out of my holiday leave) and most commonly, being paid incorrectly or not at all. The latter would happen to a significant number of staff on an almost weekly basis.

“often we'd leave our office at 1pm, and would return home at 11pm, having earned only £35.”

Things reached a particularly low point in April of this year, when a number of teams – including one that I was working on – realised that they were being followed in cars by unknown people who were photographing them. When questioned, our managers repeatedly assured us that they were nothing to do with the company, and when the stalkers were confronted, they either drove off or denied that they were following us. After two weeks of this going on, the company finally sent somebody from head office who admitted that they had hired what they described as 'mystery shoppers' to follow teams on site. It was clear that whether or not these people had been hired from a 'mystery shopper' agency, their function was as private investigators – gathering 'evidence' and intimidating us rather than assessing the quality of our work at the door.

Far from the media perception, fundraising is very difficult underpaid work – and presently in Liverpool – and I imagine, other large cities, it is one of the few options for young workers – who then face the difficulties of organising in a casualised work place – often against a very union hostile management. Both Home Fundraising and Cobra Group have offices in most large UK cities, alongside other organisations such as P and D Marketing and JMS. Its very likely that most readers of this will have a marketing agency or fundraising company based in there area – or possibly know somebody who works as a fundraisers – I'm sure any support you can give to fundraisers trying to organise in their workplaces will be very much appreciated.

the land of the free

★ Sharon Borthwick writes on the race and class prejudice behind the US death penalty, in the aftermath of the state killing of Troy Davis

At the South Carolina State Penitentiary on 16th June, 1944, 14 year old, George Junius Stinney, was strapped to the electric chair. Securing him to the frame holding the electrodes proved difficult as the child was so slightly built and merely 5'1", a reason to suspect it wasn't he who had wielded the huge railroad spike, the weapon used in the killing of two white girls. In a locked room with only white officers bearing witness, Stinney confessed within an hour of his arrest. The court-appointed defence lawyer, did not call any witnesses and as the Stinney family were moneyless, an appeal could not be raised.

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Another harrowing and messy murder took place towards the end of World War II, when 24 year-old Eddie Slovik was strapped to a post and shot by firing squad, eleven bullets entering his body, but not immediately killing him. The appointed executioners were reloading their weapons when Slovik finally died: “They’re not shooting me for deserting the United States Army, thousands of guys have done that. They just need to make an example out of somebody and I’m it because I’m an ex-con. I used to steal things



★ Troy Davis was executed on 21st September, even though seven of the nine trial witnesses later admitted they had not in fact seen him kill policeman Mark McPhail

when I was a kid, and that's what they are shooting me for, they're shooting me for the bread and chewing gum I stole when I was 12 years old”, Slovik had told them. Stinney was black and Slovik white. They had in common their poverty and thus their utter powerlessness, as simultaneously, the allies allegedly fought for freedom.

We no longer believe the World War II myth that America fights other nations for liberty's sake, but how can we believe that US citizens are free, when with 5% of the world's population they have almost a quarter of the world's prisoners. With the “three strikes law”, people have been sentenced to 25 years porridge for shoplifting. US citizens are the most incarcerated in the world, their prisons stretched to bursting with a population of 2.3 million. China, with four times the population, has 1.6 million prisoners. Little wonder the Chinese régime likes to answer the United States’ ‘Country Reports on Human Rights’ with the annual ‘Human Rights Record of the United

States’, while of course never addressing its own egregious methods.

“Capital punishment is the most premeditated of murders” said Albert Camus, and Troy Davis had many premeditating accomplices take a hand in his death, from Obama, who apparently washed his hands of the matter, to the police who intimidated “witnesses”; from the medics of the sinisterly-named companies, Correct Health and Rainbow Medical Associates, who for money injected a healthy man with the lethal cocktail which ceased his heart and respiration; from the careless court-appointed lawyers, to Nathan Deal, Georgia’s Republican Governor, responsible for the 70% cut in the federal funding of the Georgia Resource Centre (Georgia’s legal aid) and from the section of the public who whoop and applaud the statistics on prisoners put to death in the state of Texas: state governors Rick Perry and previously George W. Bush literally killing for votes.

Troy also had against him the endemic racism of his home state of Georgia, where as in other southern states, black people joke bitterly of being arrested for DWB, (Driving While Black). Blacks, representing 10% of the American population as a whole, are 40% of the population on death row. Though victims of murder are roughly 50% white and 50% black, 80% of state murders (since the death penalty was reinstated in 1976) were for cases where the victim was white. In Mobile, Alabama, 1981, Michael Donald was the last known person lynched by the Ku Klux Klan. The police initially lied that he was the victim of a drug deal gone wrong, though Donald had never taken drugs. It took the efforts of Jesse Jackson to get a rightful conviction. In 1997 Henry Hayes was executed for the crime by electric chair. Prior to that gruesome death, the last time somebody was executed for a white-on-black crime in the state of Alabama was in 1913. Now they use legalised murder in place of lynching.