

## The real scandal is big business

Business has been having a rough time of it lately. Even its closest friends, like US President George Bush, have been forced to criticise the way corporations behave. Scandals involving business malpractice have shattered the confidence of investors and led to massive falls in share values.

The energy company Enron deliberately fiddled its accounts so that its liabilities were counted as assets in order to artificially inflate its share price. Arthur Andersen, its "independent" auditors, actively colluded in this, and also destroyed evidence to protect the guilty. The company's Non-Executive Directors, who are supposed to provide disinterested scrutiny of what the company is up to as a guarantee of probity, had also failed to smell a rat.

Worldcom, another US corporation, was involved in a similar scandal and there have been a series of others involving "insider dealing". This involves buying shares cheaply just before they rise substantially in price, or more frequently selling them before their value collapses. Those dealing use privileged information to gain

an "unfair" advantage over the markets.

George Bush is himself under investigation for insider dealing, and in Britain Jeffrey Archer (who else?) was accused of this while his wife was



Patricia Hewitt, Trade and Industry Secretary, was a head of research for Andersen

a Director of Thames Television. Daily Mirror Editor Piers Morgan bought shares whose value was then artificially boosted by the "City Slickers" tipsters on his paper.

These scandals have shed some light on a world where Directors sit on each other's boards and operate as a private club where a fellow doesn't have to worry about his pals turning him in. Accountants like Arthur Andersen also work for companies as consultants,

creating a potential conflict of interest which is ignored.

Bush jnr was forced into "talking tough" with his business pals because their activities have harmed investor confidence, resulting in share holders losing money. The workings of capitalism have only come under scrutiny because they are harming people who matter to capitalism.

The fact that even without "abuses" capitalism harms the vast majority of the world's population has not been widely commented on. The whole capitalist economy is based on constantly inflated expectations of future profits, Enron just went a step too far. Share prices are not based on actual profits, but on the projected future profits, and particularly the rate at which they are expected to increase. If a company's profits do not increase by an ever-greater rate, it will not attract investment and will go into decline.

Where do these profits come from, and how are they made to increase at an ever-greater rate? The answer is through the most ruthless exploitation of natural resources and labour that can be achieved, and by getting taxpayers to pick up the bill for corporations' costs. This means destroying the environment, working people to death for low wages, and forcing governments to scrap health and education spending in order to pay for corporate tax breaks.

That's what's happening in the developing world. An example of how it works in Britain was BT who used to announce record profits annually, and massive redundancies at the same time to ensure those profits increased again the next year. Business is a burden on the working class, let's throw it off!

Produced by the **North & East London** local group of the anarcho-syndicalist **Solidarity Federation**.

We seek to replace capitalism with a stateless society based on the principle of from each according to their ability, to each according to their needs. We support working class struggles towards these ends. We recognise that not all oppression is economic, but can be based on gender, race, sexuality, or anything our rulers find useful.

Our activities are based on Direct Action — action by workers ourselves not through intermediaries like politicians and union officials. Our decisions are made through participation of the membership. We welcome anyone who agrees with our aims and principles. We also welcome comments on this newsletter, and donations towards the cost of future issues (cheques payable to NELSF). See Page 3 for contact details

# Solidarity

## for anarcho-syndicalism

## Iraq: this is not a war for freedom



**Iraqis have endured years of tyranny under Saddam Hussein. Anarcho-syndicalists recognise this, but oppose war in the Gulf because it is about imperialism not about liberation. We do not accept that the only options are supporting imperialism or supporting local dictatorships. Our alternative lies in a workers' movement that can overthrow the current world order**

The media talks as if foreign intervention will lead to liberty and an end to terror in Iraq. The real aim of the US is to install an authoritarian, military-dominated regime which will guarantee cheap oil supplies. The official rulers of this regime may be American-approved civilians but this will only be for public relations purposes.

US intervention is always about backing one bunch of oppressors, rapists, murderers and ethnic cleansers against another. In Afghanistan, the victory of the US backed Northern Alliance has not meant an end to the oppression of women. Nearly all women in Afghanistan

are still too scared of male violence to stop wearing the all-covering burkha.

### Campaign of violence

The new government is unlikely to improve the position of women in the future. The Women's Minister, Sima Samar, has been sacked for criticising the Northern Alliance leaders, without any protest from the US occupiers of Afghanistan. Worse, these leaders are notorious for allowing their men to carry out massacres and mass rape. In Northern Afghanistan they have carried out a campaign of sexual and ethnic violence, over the past few

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July's media fad was a "Summer of Discontent", echoing the winter of 1978-79. The government's policy of not paying public service workers decent wages appeared to have finally provoked a coordinated response from the unions which are supposed to represent them. Like the summer itself, it didn't really happen, but the crucial Local Government pay disputes have still not been settled.

UNISON members have struck for four days for increased London Weighting. This is £2,646 for Inner London Boroughs, and £1,407 for most workers in Outer London. The claim for £4,000 for all 32 Boroughs has been met with "there's no money, pay increases will mean redundancies" from the Bosses, who are dominated by the Labour Party. Both the Transport & General Workers' Union and the GMB took part in the fourth day's action after belated ballots.

Decent London Weighting is badly needed as it is virtually impossible to live in London at the present rate, and many Local Authorities have real staffing crises. Workers also need a substantial National pay increase, and the fourth day on

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## IRAQ: NOT A WAR FOR FREEDOM

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months, which has forced 60,000 refugees to flee.

Western intervention had the same disastrous results in Yugoslavia in 1995. The US gave air cover to the fascist government of Croatia, as it ethnically cleansed 300,000 Serbs from the Krajina region.

After the last Gulf War, the Western "liberators" of Kuwait oversaw the ethnic cleansing of hundreds of thousands of Palestinians and other non-Kuwaitis who were scapegoated as Iraqi collaborators. The human rights group Middle East Watch reported that this exodus was accompanied by a campaign of random shootings, torture and rape.

Western intervention leads to such savagery because its aim is not liberty but domination. The West wants the developing world and the former Communist countries to be reservoirs of cheap resources or cheap labour for the big corporations. The West only supports governments that will go along with this exploitation. Inevitably this leads to local opposition which means that these governments must be repressive.

### Terror threat

Anger at the bombing of Iraq will create more terrorist threats against the people of the West. It will encourage more anti-Western nationalism and more support for Islamic fundamentalism. It will not make us safer from weapons of mass destruction because the means to develop these weap-

ons are supplied by Western arms dealers, with the consent of their governments (as they were to Saddam before he fell out with the West).

Security and freedom can only be guaranteed when we create a classless society where all have an equal share in decision-making and equal access to the product of our labour. Where the state exists, democracy is a sham because real power is exercised by political and economic elites, rather than by the people. These elites will always use war to pursue their interests; the victims of war will always be ordinary people, killed by US bombing or terrorist reprisals. Only anarchism can offer a real alternative.

Sources: *Guardian*, 3<sup>rd</sup> April, 25<sup>th</sup> June, 9<sup>th</sup> and 20<sup>th</sup> July 2002.

## Agitators at work

### Activities of North and East London Solidarity Federation

#### Hackney Library Workers' strike

Members of NELSF took part in a protest at the refusal of Hackney Council's new Cabinet to hear a delegation of library users. The users wanted to speak in support of worker's long-running dispute over the withdrawal of Saturday Enhanced Pay. Users walked out after disrupting the meeting.

Management have been given authority to recruit scabs to undermine the dispute. They want to use part-time workers to re-open two of the seven libraries on Saturdays. They plan to open four of the others at unspecified later dates, and leave one open on Sunday rather than Saturday.

Not only would paying the existing full-time staff get all the libraries open immediately, but it would actually work out cheaper than hiring additional staff to scab on them. This proves that management is trying to break the union, not seeking to save money or improve services.

#### Council workers

NELSF members in Local Government joined pickets in support of the claim for £4,000 London Weighting and the national pay claim. Members also supported London-wide rallies in support of both disputes, and distributed leaflets informing temporary workers of their rights, including the right to strike, and urging all workers to support the permanent employment of staff currently on temporary contracts.

#### Defend Council Housing

Haringey Council have abandoned plans to sell off Imperial Wharf and White Hart Lane estates to Circle 33 after a campaign by tenants. The Council are now planning to hive off all council housing in the borough to an "Arms Length Management Organisation". This new form of privatisation is being fought by Haringey Defend Council Housing, in which NELSF members are involved.

## Autumn of disillusionment

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17<sup>th</sup> July was also a National Strike for 6% or £1,750, whichever is the greater. Failure to win will mean services continuing to collapse because they can't recruit workers with the skills needed to do the jobs.

A second national strike on 14<sup>th</sup> August was called off when union negotiators decided to recommend an offer to their members. This was the rejected 3% offer, tweaked so that the very lowest-paid would get a slightly larger percentage rise, in spite of the fact that percentage rises for the low-paid are meaningless. The dispute has been suspended for six weeks while union members are "consulted". Any further strikes will conveniently take place after the Trades Unions Congress and Labour Party Conference.

Union leaders have shown they are not interested in winning the pay dispute. They planned inadequate strike action and called it off on a flimsy excuse. They're really interested in lobbying within the Labour Party to which they, the Local Government bosses and the Government all belong. Workers really need the pay increases, but being led up the garden path like this might reduce backing for further strikes. Many workers might think they can't win because union officials will sell them out, and they're willing to lose pay only if strikes are likely to be successful.

Workers must reject the offer and take control of the dispute away from the bureaucrats. This means workers have to believe they can win and that they're strong enough to take unofficial action if necessary. They need to gain confidence and organisation by tackling

everyday issues in the workplace collectively, through direct action, rather than relying on officials sorting things out with the management. Union structures in recognised workplaces tend to undermine shopfloor organisation in favour of representation, but workers will only lose money and disputes through ineffective strike action unless they are capable of acting for themselves.

Local Government workers also need to address the other means by which workplace organisation has been undermined - privatisation. Sections of the workforce with real clout, such as refuse collectors, have been artificially excluded from the dispute through privatisation, weakening both them and the whole workforce. Supporting other workers is not "secondary action", it is solidarity and it is the foundation of all union organisation. We will lose disputes until we recognise this and are prepared to break the law to give solidarity.

Workers can only win improvements in pay and conditions through their own strength. Neither lobbying the Labour Party, nor electing a "socialist" alternative will work. Effective action is more important than who gets money from the unions' political funds.

## One law for them

The inquest into the shooting of Harry Stanley, by police in Hackney in 1999, has finally been held. Although the names of the officers responsible for shooting an unarmed man walking home from the pub are now known, there was little other comfort for the Stanley family. Inspector Neil Sharman shot Harry through the head, whilst PC Kevin Fagan shot him in the arm. Both remain on duty with the Metropolitan Police armed response unit. The cops wanted to appear behind a screen as Officer A and Officer B, claiming they were under threat from the local community.

The coroner at St. Pancras Coroners Court, Stephen Chan, refused to allow the jury to record a verdict of unlawful killing. Worse, he brought up details of Harry's long spent criminal convictions, something even the cops had steered clear of doing following the shooting. The jury responded by recording an open verdict, despite Chan's far from subtle encouragement to record a verdict of lawful killing.

The Harry Stanley case is proof once again that the system works - for them.

Source: *London Class War*,  
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