

# WORKERS

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## NO TO THE FREE TRADE TRAP

**Farming** Brexit opportunity    **Unis** Pensions fight  
**Nursing** A chance to plan    **Customs union** No, no  
**Coastal town** On the edge    **Carillion** Private chaos  
**Gambling** Deadly addiction    *plus* News,  
**Energy** For independence    **Book Review**  
**Uber** Smoke and mirrors    **and more**

JOURNAL OF THE CPBML

TAKE CONTROL: BUILD THE NEW BRITAIN

# WORKERS



## Customs: something to declare

SUDDENLY, IT SEEMS, the talk is all about the EU's customs union, with "commentators" bewailing the possibility that in leaving the EU Britain will also leave the customs union.

Yet again, an economic Armageddon is forecast to be the outcome of such a move. Leaving the customs union is branded as a "hard" Brexit, as if that were a problem in itself.

It's worth remembering where the idea of a customs union originated: in Berlin, in the years after the defeat of Napoleon in 1815. They called it a "Zollverein" (German for a customs union, of course), and it united the German states into a single trading entity.

In 1867, the Zollverein was strengthened so that no individual state could veto changes in trade policy. In 1871 the individual German states formed the German Reich.

If all this sounds familiar, it's because it is. Germany's customs union is the EU's model.

This model forces all EU states to maintain identical tariffs for imports from outside the bloc. It costs British consumers money because there are high tariffs on agricultural products that can be grown in southern Europe such as citrus fruits.

And all the money collected from tariffs by individual states goes into a common European pot, which costs Britain dear as it imports more from outside the EU than any other EU country.

The customs union covers much more than tar-

iffs. It also means Brussels decides what food is safe to import, what children's toys are safe, what pharmaceuticals can be imported, and so on.

On top of all this, the customs union means that Britain cannot, under any circumstances, negotiate its own trade deals with other countries. It can't defend British interests at the World Trade Organization.

It can't even decide on tariffs to be applied against, for example, steel being dumped on the British market by China. Only Brussels can do that.

If Britain stayed in the customs union after leaving the EU, it wouldn't have any kind of a say about the rules. It would have to do what it was told. A vassal state, indeed.

So it's as clear as day that staying in the customs union means Britain would not be a sovereign country. We wouldn't be taking back control, we'd be leaving control in Brussels. A bit like swapping jail for house arrest.

That's not what the country voted for in the referendum. And people like Chuka Umunna and Anna Soubry know this full well. An independent Britain can negotiate in its own interests, including with the EU. The cries for membership of the customs union are simply a back-door manoeuvre to stay in the EU.

Panic talk about a wall across Ireland is nonsense – as workers in the know point out, there's no problem which can't be solved with goodwill on both sides. ■



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## Contents – March/April 2018

### News Digest

University pensions fight, p3; Local government: fake militancy over pay, p4; Plan now for NHS workforce, p5

03

### Features

Brexit – an opportunity to produce more food, p6; Uber: smoke and mirrors, p9; Keep Britain out of the Free Trade trap, p10; Make energy independent, p14; Gambling away people's lives, p16; Coastal communities fight for a future, p18

06

### End Notes

Book review: Positive thinking, p21; Historic Notes: Populism, a force to reckon with, p22

21



- UNIVERSITIES**
- FRANCE**
- WORK**
- HDV PROTEST**
- LOCAL GOVT.**
- WIND FARMS**
- NURSING**
- E-NEWSLETTER**
- ON THE WEB**
- WHAT'S ON**

- Pensions fight
- Big boost for military
- Internships scandal
- HDV protest
- Fake militancy over pay
- Something for nothing
- Workforce strategy
- How to subscribe
- More news online
- Coming soon



Academics marching under the UCU banner at last year's Tolpuddle Festival.

## University pensions fight

STRIKE ACTION has begun in universities across Britain as academic staff fight back against the plan by the university employers association, Universities UK, to close their final salary pension scheme.

Nearly 40,000 academic staff in 61 universities are involved following large majorities for action in a national ballot. Overall 88 per cent of union members voting in the University and College Union ballot supported action to stop the changes.

The pension plan, known as the Universities Superannuation Scheme, applies mainly to staff in the "pre-1992" universities (the former polytechnics are covered by the Teachers' Pension Scheme) and has assets of around £60.55 billion with 396,000 members, including 66,000 retirees. It is well funded, yet Universities UK has dreamt up the idea that there is a gap of £12.6 billion between the fund's assets and liabilities.

The employers' calculation is based on a spot price fix geared to one day in March 2017. On that one mechanical assumption, they have said that in 20 years' time or so there will be insufficient funds to pay pensions.

Such nonsense has time and time again been used as a pretext for pension scheme closure throughout Britain. And the accounting mechanism applied to produce it comes from the European Insurance and Occupational Pensions Authority (EIOPA), which hides behind the UK Pensions Regulator while delivering its EU diktat.

Over many years the EIOPA and its forerunners have stacked the odds against running occupational final salary schemes in Britain. It is no more complicated than that.

The strikes started on 22 and 23 February, and will be followed by three-, four- and five-day actions in subsequent weeks.

• A longer version of this article is on the web at [www.cpbml.org.uk](http://www.cpbml.org.uk).

## FRANCE

### Big boost for military

FRANCE, presumably a key player in the future EU Army, has announced a staggering 260 billion euro rise in military spending between 2018 and 2025, an increase of over a third on its defence budget.

The rise comes six months after the head of the French armed forces and other senior military figures resigned in protest against President Macron's defence cuts. Now Macron says he wants to meet France's NATO commitments and in addition re-arm France as a separate and independent military power.

## WORK

### Internships scandal

UNPAID INTERNSHIPS are combining with rising living costs to shut poorer youngsters out of many careers, according to a study from social mobility campaigners the Sutton Trust.

Even if transport costs are provided, it costs youngsters at least £1,019 a month to do an unpaid internship in London .

Though the trust says it has seen some improvement, unpaid internships continue to be offered, often without being formally advertised.

Current research suggests that over 40 per cent of young people who have carried out an internship have done so unpaid. The most recent government estimate – from 2010 – is that there are 70,000 interns in Britain at any one time.

• A longer version of this article is on the web at [www.cpbml.org.uk](http://www.cpbml.org.uk).

Workers

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## ON THE WEB

A selection of additional stories at [cpbml.org.uk](http://cpbml.org.uk)...

### EU imposes anti-union law on Greece

Under orders from the European Commission, the European Central Bank and the International Monetary Fund, the Greek government has pushed through the most anti-union law in Europe.

### Click to enlist? Oops...

The government's attempt to recruit solely by online application has failed, despite spending over £1.3 billion on a computer system run by Britain's largest outsourcing IT company.

### Royal Mail snubs EU withdrawal

The Royal Mail will not be issuing special stamps to commemorate leaving the European Union, claiming it would damage its "strict political neutrality".

### Co-op Bank slashes yet more branches

Now effectively in the hands of US private equity companies, the Co-op Bank has ordered a further round of branch closures.

### USA: preparing for war not defence

The USA has announced a new "defence" strategy. It's really about warmongering and how to defeat opponents at any cost.

### Plus: the e-newsletter

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Andrew Wiard/[www.andrew-wiard.com](http://www.andrew-wiard.com)



**Haringey, north London, 7 February: protest against the Haringey Development Vehicle scheme proposed by Council Leader Claire Kober and Cabinet Member for Regeneration and Housing Alan Strickland. The scheme involves the demolition of 1,009 council houses.**

## Fake militancy over pay

UNISON, GMB and Unite are currently considering a pay offer to local government and schools staff from local government employers of 2 per cent a year over two years from April. The offer includes additional tweaking to the national pay scales (such as deleting of lower band increments).

The offer would help teaching assistants significantly, lifting them from the lower incremental bandings – though obviously overall the wage increase is well below inflation. This compounds years of pay restraint in local government since 2010, causing a 21 per cent cut in real pay for some of the lowest-paid public sector workers.

How the trade unions consult with members shows they have learnt nothing from the campaigns of 2014 and 2016. The pay claim was lodged early and ignored by the employers as being outside the negotiating structure. The unions thought that an early claim would give the opportunity to "build" a campaign for industrial action and pressure on the employer.

Despite having had an additional 12 months to campaign, Unison, the largest trade union, has seen its branches and regions reject industrial action overwhelmingly. Yet its National Local Government Committee is ploughing on with a consultative ballot seeking a mandate for action – as is Unite, vying with Unison in fake militancy.

Yet if the unions simply try to repeat the failed strategies of previous campaigns, the outcome will be the same: early acceptance of the offer, or a token protest and then acceptance.

Local government unions have still not addressed the massive outsourcing of local services that threatens the existence of national bargaining, or the planned cuts to funding from central government of 50 per cent by 2020. Or that local authorities such as Northamptonshire and Surrey County Councils are teetering on the edge of bankruptcy.

National bargaining is largely dead in local government. Local or regional bargaining is going to have to replace it if union branches and members are to be resurrected and rejuvenated. The days of posturing in protest in negotiations are over. New thinking and new strategies are required. ■

## ENERGY

### Wind farm bonanza

BETWEEN 2012 and 2017 wind farm owners were paid £367 million in "constraint" payments – payments to not produce electricity. In 2017 they received roughly £2 million a week to do nothing. On average this payment is 40 per cent higher than when they actually produce

electricity for the National Grid. The costs are added to household electricity bills, ensuring that the consumer pays for the greed of the generating companies.

Wind farms are part of an unplanned, unbalanced energy industry and market. Instead we need a national energy strategy (see feature article, page 14), but without the cash bonanza which the energy companies have enjoyed since the privatisations of the 1980s. ■

## CONSTRUCTION

### Midlands growth

AROUND 17,000 new jobs are to be created in the West Midlands construction sector over the next five years, says the latest Construction Skills Network report. Employment in the sector is forecast to

grow at an average annual rate of 0.8 per cent in the next five years, more than the estimated gain of 0.5 per cent nationally.

The Construction Industry Training Board said the high-profile collapse of Carillion would not affect recruitment in the sector as major projects such as HS2 and upgrades to the M6 will create major job opportunities.



Andrew Wiard/www.andrew-wiard.com

Thousands joined the “NHS in crisis: Fix it now” march in London on 3 February.

## Plan now for NHS workforce

FOR THE FIRST time in almost 25 years the health service in England has set about producing a Workforce Strategy. A consultation is under way and the final strategy will be published in July to coincide with the NHS's 70th Anniversary.

Why has the nation's biggest employer not had a strategy for a generation? You only need to look at how the previous two governments thinking to rely on EU recruitment cut nursing student numbers in Britain between 2009 and 2012.

The consultation document highlights the historical failings of NHS workforce planning: “Since the NHS began patients have been well served by staff from around the world. However, maximising the self-supply of our workforce is critical. It cannot be right for the NHS to draw staff from other countries in large numbers just because we have failed to plan and invest.” So, Brexit has done a marvellous thing: it has made the NHS think seriously about workforce planning for the first time in many years.

The consultation document is more wide ranging than many recent health department documents and starts with several principles – chief of which it calls “securing the supply of staff that we need to deliver high quality care”. This involves actions to boost recruitment to NHS training programmes but gives just as much weight to retaining existing staff: “England should not be relying on net inflows of healthcare professionals”.

An early target will be to attract at least 1,000 qualified nurses not currently working to return each year from 2018. This will be a real challenge as the two previous governments closed most of the “Return to Practice” courses.

In future, service, financial and workforce planning are to be intertwined. It is heartening that social care workforce requirements are included. A far-reaching technology review across England will look at how advances in genomics, pharmaceuticals, artificial intelligence and robotics will change the roles and functions of clinical staff over the next two decades, and what this will mean for future skills and training needs.

But thanks to devolution the resulting strategy for a decade will apply in England only. NHS workers across Britain need to argue for this most obvious intertwining.

The real experts on retention of staff are the current workforce, and all are invited to take part – including trade unions at all levels. They need to make sure their expertise is written into the strategy when it is finalised in July.

## WHAT'S ON

Coming soon

MAY

CPBML May Day Meetings



### LONDON

Tuesday 1 May, 7.30pm

Conway Hall, Red Lion Square,  
London WC1R 4RL

### LEEDS

Tuesday 1 May, 7.30pm

Cosmopolitan Hotel, Lower Briggate,  
Leeds LS1 4AE

### GLASGOW

Tuesday 1 May, 7pm

Renfield Conference Centre, 260  
Bath Street, Glasgow G2 4JP

“Take Control for an Independent  
Britain”

On the 50th anniversary of the founding of the CPBML, we invite you to celebrate with us the prospects for independence.



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Along with fishing, agriculture is set to be a big beneficiary without a collective determination to make it so...

# Brexit – an opportunity

T Glendinning Photography/shutterstock.com



Sorting English hops, ready for drying and packaging for the brewing industry.

ONE OF THE biggest opportunities created by leaving the EU is for Britain to become more self-reliant in food production. This is already official policy of the National Farmers Union which represents independent farmers and farming employers (see Box 1).

Achieving that goal will require a collective determination by the British people to make it happen. The opportunity will be

**“Over 40 years of EU membership leave a difficult legacy.”**

squandered if the future of agriculture is left to combined forces of politicians who want to stay in the single market and businesses that see Brexit as a gateway to importing cheap food.

## Key

Farming is a key supplier to the food and drink industry, one of Britain’s biggest manufacturing sectors. Together they contribute £109 billion to the economy, measured by Gross Value Added. Around 3.8 million people work in the two industries combined. About 475,000 are in agriculture – a number that’s been in decline, and more crucially it’s an ageing workforce.

Currently Britain’s farmers produce 60 per cent of our food. Tackling Britain’s reliance on the imported remainder will be

challenging, but there is potential. One estimate is that Britain currently produces only around three-quarters of the food which could be grown in our climate.

Despite our heavy reliance on imported food, Britain exports food too – worth around £14 billion in 2016 plus a further £6 billion of alcoholic drink. Over 70 per cent is exported to the EU. Exports are growing; compared to 2015 up by 10 per cent to the EU and by 16 per cent to non-EU countries.

An increase in domestic food production would in turn increase the proportion of raw ingredients sourced here for our food industry, currently around 60 per cent. Exporting where we produce more than we can consume is efficient trade. It pays for produce which we cannot grow in Britain.

Most of our exports are added value

# of Britain's leaving the EU. But that won't happen

# to produce more food

products rather than raw commodities: whisky, truffles, oysters, natural honey, beer, gin, cider, flavourings and specialist ingredients. There is also growth in meat exports such as lamb and pork.

Many of the food groups in which Britain is a large net importer are particularly labour intensive (vegetables, fruits) and the categories in which Britain is a net exporter require relatively few workers (cereals, dairy).

Over 40 years of EU membership leave a difficult legacy for British farming and fishing. The Common Agricultural Policy (CAP) and Common Fisheries Policy (CFP) have distorted production and continue to do so despite partial reforms.

The cost of both CAP and CFP to Britain has been high. Food is overpriced, but key British farm sectors such as dairy are struggling. Our fishing fleet is a fraction of the size it was. And yet Britain's net contributions to the EU for those policies are disproportionately high.

Despite this legacy, there is great potential for increasing agricultural food production. In particular this will rely on expanding vegetable and fruit production. That requires greater investment in technology for horticulture and development of skilled and semi-skilled labour working in that sector.

One of the most concise summaries of the damage done to British farming by the CAP was offered by Michael Gove, Secretary of State for Environment, Food and Rural Affairs (see Box 2, page 8).

In his speech entitled "Farming for the Next Generation", Gove guaranteed farmers the same level of subsidy until 2022, and after that he proposed to move away from subsidies for inefficiency and to use public money for the public good. In the interim he called for the development of a coherent British policy on food, looking at agriculture, the environment and public health in an integrated way. That's a bold aim, akin to the push to feed the nation during the second world war.

## The farming workforce

The development of skills in the farming industry will be an early test of whether this policy can be made real or will remain only fine words. Some sections of British agriculture, especially in vegetable and fruit pro-

duction, have become heavily dependent on importing cheap labour.

Gove made it clear that farm employers must think differently about skill; he said, "industries which come to rely on importing cheap labour run the risk of failing to invest in the innovation required to become genuinely more productive. Labour-intensive production inevitably lags behind capital-intensive production".

Around two-thirds of farmland is owned by working farmers. Other farmers rent land but those opportunities have declined, especially for young people wanting to join the farming workforce.

## Family businesses

Around 60 per cent of the total labour on farms is accounted for by the farmers and their immediate families. That's unusual compared to other industries. A further 25 per cent are workers with regular employment and around 15 per cent are casual workers. Even among the farmers themselves and their regular workers a high proportion are part-time – many need other sources of income.

A few weeks after the EU referendum Stephen Devlin, an economist at the New Economics Foundation, published research on the British agricultural workforce. He described how market conditions and policy changes during the period of EU membership made the life of farmers and farm workers more insecure "with increasing pressure from market-dominating supermarkets pushing down on the profitability of farming and workers' protections disappearing along with the Agricultural Wages Board (in England)."

"Over time", Devlin says, "the composition of the workforce has changed, towards a more flexible labour force with many more casual or seasonal workers employed, often from abroad." He goes on to predict that the future workforce will be smaller but more highly skilled largely because of technological advance.

But he is concerned that for "a labour force that is currently dominated by men over 55 years of age, attracting talented and passionate people to the sector could be a challenge." Simply, the industry must move away from the current prevalence of low

## 1: Farmers union looks forward

**"Brexit offers the opportunity for change, to build a bold and ambitious policy environment for the future.**

**Our vision is simple. That competitive, sustainable and profitable UK farm businesses are central to a dynamic food supply chain. British farmers should deliver an increasing proportion of the nation's requirement for high quality, safe, affordable food, as well as developing new export markets.**

**Alongside this, our farmers must be able to continue with sound environmental stewardship of the 70 per cent of the UK land area they manage and maintain their reputation for the highest standards of animal health and welfare."**

*Foreword to National Farmers Union document Domestic Agricultural Policy: a Framework for Success, October 2017.*

investment and low wages if it is to implement the NFU's post Brexit vision and to increase food production.

Step one in attracting talent is to increase wages. A *Farmers Weekly* survey in 2013 found that the average hourly wage in agriculture was £8.74, a third less than the British average. Devlin points out that agricultural workers' wages are determined by the entire food supply chain, and not just supply and demand within the sector or the degree of farm workers' organisation.

He explains that "Price wars in the retail sector...will feed through the supply chain and exert continuing pressure for farms to cut costs." That's why dairy farmers, for example, are leaving the industry. And it's why Defra must address the way whole food supply chains operate if it is to develop an integrated food policy.

Step two in developing future agriculture

*Continued on page 8*



Onions growing in a Suffolk field.

## 2: 'Fundamentally flawed'

“[the Common Agricultural Policy] is still a fundamentally flawed design.

Paying land owners for the amount of agricultural land they have is unjust, inefficient and drives perverse outcomes. It gives the most from the public purse to those who have the most private wealth.

It bids up the price of land, distorting the market, creating a barrier to entry for innovative new farmers and entrenching

lower productivity.

Indeed, perversely, it rewards farmers for sticking to methods of production that are resource-inefficient and also incentivises an approach to environmental stewardship which is all about mathematically precise field margins and not truly ecologically healthy landscapes.”

*Michael Gove speaking at the Oxford Farming Conference in January 2018* ■

*Continued from page 7*

in Britain is to build a more highly skilled workforce. Fortunately, we have the capacity to at least start on that task. There are still higher education programmes in agriculture which play a key role in upskilling the next generation and are also reservoirs of British scientific knowledge in the field. And there are facilities in England, Scotland and Wales which have unique expertise in relation to the geography and climate of different parts of Britain.

Universities UK reported a small increase in students in higher education agricultural and related subjects between 2002 and 2011. The past five years have seen a small decline – a trend we must reverse, as well as tackling the drop in academics trained in these subjects. On a

positive note, these courses attract young people from farming and non-farming backgrounds and unlike the current workforce about half the students are female.

The number of people starting apprenticeship programmes in agriculture, horticulture and animal care more than doubled in the nine years to 2011-12. After falling back slightly, the numbers are increasing once more.

It is hard to assess how many of these students become actively employed in food production. But these further education courses have a young age profile with many students starting at 16 or 18. Their choice indicates real interest in this area from young people; they now need opportunities to pursue that interest.

More informal training opportunities are expanding too. The Kindling Trust's

## 'The Co-op supermarket has committed to only stocking British meat.'

FarmStart programme gives new farmers the opportunity to try their hand at organic farming without having had to first commit financial resources to purchasing or renting land. Nourish Scotland offers a mentorship and peer coaching programme for people starting up a local food enterprise. The Landworkers' Alliance creates opportunities for peer-to-peer support and learning among small-scale and sustainable producers. Such initiatives alone can't create the development needed by the industry, but they can be part of the picture.

### Do people care?

A population truly concerned about our national health would care as passionately about food quality and nutritional balance as it does about the NHS.

A recent survey found that half of all the food bought by families in Britain is now "ultra-processed". Such food is made in a factory with industrial ingredients and additives invented by food technologists. It bears little resemblance to the fruit, vegetables, meat or fish used to cook a fresh meal at home.

At the same time there is a growth in consumer interest about where food comes from and a keenness to reduce the number of miles from field to plate. The Co-op supermarket has committed to only stocking British meat and only using British meat in its processed goods. It has achieved this by extensive collaboration with its farming suppliers and because there is a customer base which wants to buy British food. Integration is the key to boosting food production in Britain.

Every step of the supply chain matters – and the population's insistence on buying British matters too. ■



## Uber cabs, Uber economy, Uber employment – we’re deluged in disinformation about this business model...

# Smoke and mirrors

AN ARGUMENT about employment is developing here, and it centres on the battle for the taxi market in London and the rest of the country. Transport for London has withdrawn Uber’s operating licence, so too has York. But Uber continues to operate pending appeal, which could take years, appealing to social media to try to bully Transport for London with a monster online petition, allegedly of over 3 million signatories.

London now has an estimated 40,000 Uber drivers among the 120,000 minicab population. There are 21,000 traditional black cab drivers. Taxi trade unions – the Licensed Taxi Drivers Association, RMT, Unite and GMB – are fighting back, organising demonstrations and lobbies of Transport for London.

After unions took Uber to court, the courts have ruled that Uber employs its drivers. But the trade unions’ legal campaign to establish workers’ rights for Uber drivers, though honourable and successful, misses a fundamental point: legal employment status is another form of exploitation.

Uber says that its drivers must be protected from exploitation. It then defines an 18-hour maximum working day within the so-called protections of employment law. That is farcical. Who wants to be driven by someone who has worked 18 hours?

All these employment models are about institutionalising competition between workers to drive wage rates down. They want to make it appear irresistible, undermining workers’ ability to exert control over wages.

This is not new. Workers have always experienced institutionalised competition along with rapidly changing technology. This drives wages down and changes both the relations of production and the means of production. That was true during the industrial revolution and the emergence of mass production in the early 20th century. And it’s true now of the changes brought about by development of the microchip.

**‘All these models institutionalise exploitation.’**



Sum of Us (CC-BY-SA 2.0)

**18 September 2017: Delivering a GMB-organised petition against Uber to City Hall, London.**

Uber and similar business models are based on the web and related technology. That doesn’t prevent exploitation.

Trade unions arguing for a level playing field can hold Uber up, for a time. Uber has met significant opposition and some defeats worldwide: in Italy, Spain, Eastern Europe, Australia, China and Russia. But Uber will change the rules of the game, hence the 18-hour “voluntary” day.

### Rivals

Uber and its competitors are not benign brain waves dreamed up in a US university. They are all calculated, exploitative, well funded business models. Lyft, a leading US rival, is now looking to compete in Britain – with a £5.5 billion start-up fund.

Lyft sees itself as Uber with a “social conscience” not smeared with Uber’s exploitative attitude or sexual and criminal scandals. But it would get nowhere without massive capital backing and the demands to exploit that brings.

Taxify, based in Estonia, wants to operate in Britain too, using the EU Posted Workers Directive. This allows it to avoid protections of English and Scottish law and

to impose Estonian working conditions – worse than anywhere else in Europe.

Pandering to Uber’s claim not to employ any driver, an organisation called FarePilot is trying to move into the operation by acting as an agency for drivers. This agency, mopping up those drivers not working 18 hours a day, is owned by Shell.

The break up of the private hire market is but the start. An additional 40,000, largely diesel Uber cars will pollute London’s streets, but other capitalists have plans too.

Oil companies like Shell see pollution controls as a threat. They are moving into alliances with car manufacturers to produce electric and ultimately driverless cars, to form ride-sharing schemes. Shell, BMW, Daimler, Ford, VW, Audi and Porsche are working on a network of electric car hubs.

What better than a technology-driven driverless private hire market on the streets of every major city? Do away with diesel and petrol pollution, do away with cab drivers, and institutionalise this new so-called employment model. Keep the Greens happy, get rid of those awkward trade unions, get rid of regulation, and let the cash registers keep ringing out with cash! ■

**Siren voices are telling us that we should be negotiating F about anybody...**

# Keep Britain out of the

chuyuss/shutterstock.com



**Chinese manufactures waiting for export at a Shanghai container port – the world's busiest.**

KARL MARX and Frederick Engels declared in the *Communist Manifesto* that capitalism had “resolved personal worth into exchange value” and wiped out all previous freedoms to establish just the one: “Free Trade”. And “Free Trade”, as we have learnt, is the opposite of freedom for a sovereign country.

Both a means and an end, trade is the “heavy artillery” of capitalism, they said, the weapon with which it batters down the “Chinese walls” protecting nations. “It compels all nations, on pain of extinction, to adopt the bourgeois mode of production; it

compels them to introduce what it calls civilisation into their midst; i.e., to become bourgeois themselves.”

That was 170 years ago. And it's as true as ever today. But capitalism has not had everything its own way, and its dream – for us a nightmare vision – of a world where free trade rules unhindered is not yet reality.

## World domination

Britain adopted free trade – trade with few or no tariffs, quotas or restrictions – for much of the economy around 1840. It was a conscious rejection of a strategy (known as mercantilism) of protecting trade with the empire. India, Australia, Canada, South Africa – these were no longer enough. British capital was out to take over the world.

In this struggle, as in all its struggles, it sought to enlist the support of the working class, promising workers cheap bread. The Chartists, at least, were too savvy for this, pointing out that if the price of bread came down, so too would wages, the price of

labour. Cheap food, usually poor quality and produced under dubious conditions, always means cheap labour and is therefore good for the employer.

The first salvos in this new trade war came when Britain forced China to import opium. How's that for ethical capitalism? Opium smoking had been illegal in China since 1729. In order to break down China's control over exports through Canton (now Guangdong) and get its hands on the country's silver, the East India Company started auctioning opium grown in India to independent Chinese merchants.

In 1839, concerned at the growing number of addicts, the Chinese government seized 20,000 chests of opium – over a million kilograms, and easily the biggest drugs haul in history. Britain responded by sending the Royal Navy, which humiliated the Chinese fleet and forced a settlement favourable to the East India Company. “Gunboat diplomacy” had arrived.

Then, between 1846 and 1849, the

**‘We already have ample experience of free trade: it's called the European Union.’**



Free Trade Agreements with the US, with the EU, with just

# Free Trade trap

government abolished the Corn Laws, which it was claimed kept the price of bread artificially high by effectively banning imports from abroad. The price of grain was initially unaffected, but when good harvests and cheap steamship transport kicked in around 20 years later, imports soared. In the 1830s just 2 per cent of Britain's grain was imported. By the 1880s that figure had risen to 45 per cent (65 per cent for wheat).

Fast forward to 1939, and Britain was importing 70 per cent of its food. Over the course of World War II more than 36,000 merchant seamen and women and roughly as many Allied sailors died plugging that gap and similar gaps in strategic materials.

In 2018, with trade an object of everyday political debate and disinformation in the context of the Brexit negotiations, workers are being urged to back free trade once again. Where do the interests of workers lie?

## Single market

Not with free trade. We already have ample experience of that: it's called the European Union, which operates on the basis of the "free" (for the employer) movement of goods, capital, services and workers.

And free trade has moved on since the 19th century, when the idea related exclusively to trade in goods. The modern free trade agreements are hardly about goods at all: they are about services, especially financial services and investment, and even free movement of labour. What's more, most modern free trade deals target "restrictions" such as legislation on workers' rights, environment laws and consumer protection.

Free trade means countries that seek to protect industries and services are bound in legal chains. Capital is free to invest in privatised companies, but countries are told what can and can't be in public ownership.

It's excellent for capital and bad for workers, which is why workers rejected that model in the referendum of 2016.

The free traders say they don't want to be restricted by the EU, but their aim is a whole planet built in the image of the EU. They want a world where capital can move seamlessly from country to country, one where nation states cede control to



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**As the World Trade Organization has pursued a free trade agenda, protests have dogged its meetings. Photo shows Korean workers at the WTO's 2005 Hong Kong Ministerial Meeting calling for sovereignty over food and fisheries.**

## 1: The road from the WTO to Free Trade Agreements

HERE'S THE problem: the world is divided into sovereign states which like to regulate trade in their own interests. Meanwhile, the multinational corporations, the largest of which dwarf many countries' economies, want all trade to be regulated in their own interests.

And while the multinationals can buy some countries, they can't buy them all. Result: stalemate.

Back in the 1990s, the idea was to use the World Trade Organization to "liberalise" world trade. But progress was slow – as was trade: in 2001 world trade actually declined.

Against this background, the World Trade Organization convened in Doha, the

capital of Qatar, and all the countries present pledged allegiance (in theory) to reducing tariffs and barriers, including to services and investment. Thus began the so-called Doha Round.

It never got very far. The more developing nations looked at what was proposed, the less they liked it. And in 2008 the Doha Round finally stalled. It is still alive, but only in name, a walking corpse of an agreement.

So the multinationals cast around for a new way of doing business. They found it in Free Trade Agreements – "one of the best ways to open up foreign markets to U.S. exporters," says the US Department of Commerce. ■

*Continued on page 12*



*Continued from page 11*

multinationals and – in the event of any dispute – their lawyers. They call it “globalisation” and present it as inevitable and immutable.

The argument is often portrayed as a battle between those who favour trading with the US and those who favour ties with the EU. But that ignores the fact that the greatest supporters of EU integration are the US multinationals themselves.

You need look no further than the lobby group they set up to influence Brussels policy, the American Chamber of Commerce to the European Union, or AmCham EU for short. Its agenda is clear: the EU needs to take powers over investment policy and services away from its member states.

In July 2017 it welcomed EU’s Court of Justice ruling on the EU/Singapore Free Trade Agreement. That ruling clarified the Commission’s sphere of competence in signing such agreements but said that at present the bits relating to portfolio investment and disputes settlement need agreement from member states. But moving forward, added AmCham EU, “the EU needs to establish a new tradition of seeking political and legal acceptance of EU trade policy.” (See [www.amcham.eu](http://www.amcham.eu))

The language is coded, but it couldn’t be clearer, coming as it does from the body with the tag-line “Speaking for American Business in Europe”.

To the world’s multinationals and finance capitalists, sovereign states are thoroughly



Mottly (CC BY-SA 4.0)

**Anti-TTIP demonstration, Brussels, September 2016.**

undesirable, an obstacle to profit. Worst of all are nation states, where sovereignty is supported by shared culture and history.

Nation states may have grown up in Europe along with the rise of the bourgeoisie, but now they stand as the last bulwark against the domination of finance capital. The bourgeoisie has split – some still need the nation, most have abandoned it – but workers know that if we can’t control our

own country we have no chance at all.

The EU’s historic mission has been to sew up an entire continent and deliver it into the hands of the multinational corporations through the medium of free trade.

Our referendum vote has dented that strategy, but it still stands. The latest tactic is to tell us – as the Japanese ambassador did on 8 February – that the multinationals will abandon Britain if we don’t have free trade with the EU.

The modern kind of Free Trade Agreement (FTA) was piloted in 1987 with the deal between the US and Canada, later expanded to take in Mexico and become NAFTA. With the World Trade Organization’s push to “liberalise” trade stalling (see Box 1), the US went hunting for new agreements,

## Meet the Party

**The Communist Party of Britain Marxist-Leninist’s regular series of London public meetings in Conway Hall, Red Lion Square, WC1R 4RL, will continue on Tuesday 17 July (details to be announced). There will also be May Day meetings across Britain on 1 May – see page 20 for details.**

**M** As well as our regular public meetings we hold informal discussions with interested workers and study sessions for those who want to take the discussion further. If you are interested we want to hear from you. Call us on 020 8801 9543 or send an email to [info@cpbml.org.uk](mailto:info@cpbml.org.uk)

**‘We don’t want free trade: we want to be able to trade freely.’**

## 'If we just sit and do nothing, there's nothing to protect us from TTIP.'

starting with Guatemala.

Then it went for a big one: the Trans-Pacific Partnership, or TPP, between the US, Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam.

China was pointedly excluded. The aim was to bypass the World Trade Organization and present China with the *fait accompli* of a new world trading order, new rules for everyone. Once again, capitalism was using trade to try to batter down a Chinese wall. Barack Obama was explicit: "If we don't pass this agreement – if America doesn't write those rules – then countries like China will."

But there was opposition, not least in the US itself. The TPP agreement was signed in 2016, but it has never been implemented – strangled at birth when Donald Trump withdrew the US from it saying it put American jobs at risk.

The EU was not far behind, setting off to negotiate FTAs with Canada, Japan, Singapore, Malaysia and so on. Progress has been snail-like. But the big prize has been an FTA with the US – the Transatlantic Trade and Investment Partnership, TTIP.

Negotiations started in 2013, but were still only halfway through the list of topics when Trump was elected and everything ground to a halt. The US would, it appears, like to restart the negotiations, but has been waiting for a government to be formed in Germany. (After all, no one can lift a finger in the EU without German approval.)

During the referendum campaign Obama warned that if Britain voted to leave we would go to "the back of the queue" when it came to negotiating a Free Trade Agreement (FTA). The threat backfired: the reaction of many people was, "Really? Can we have that in writing?"

Now we have Trump saying an FTA with Britain could be sewn up "very, very quickly". Leaving aside the Trump hype

## 2: The EU's new colonialism

THE EUROPEAN Union has been working hard at pressurising developing countries into free trade agreements under the misnomer of "Economic Partnership Agreements", or EPAs. These offer tariff-free access to the EU's single market for (mainly) agricultural products – but they come at a price.

Firstly they limit countries' ability to strike their own trade deals. This particularly affects Africa, where Botswana, Namibia, Cameroon, Ghana, Ivory Coast, Kenya and Swaziland held out for years before signing EPAs. But there's more.

Look at the EU's own website and it tells you that "last but certainly not least, [EPAs] are also designed to be drivers of change that will help kick-start reform and contribute to good economic governance. This will help ACP [African, Caribbean and Pacific] partners attract investment and boost their economic growth."

In other words, if you want to trade

with the EU, you have to become like the EU. And few countries in Africa can afford to stop trading with the EU. It's regime change, enforced by trade.

Even some in the European Parliament acknowledge this. "In particular, African countries are caught in the dilemma of losing their preferential market access for the few products they export to the EU if they do not sign the EPAs, versus their longer-term development prospects if they do sign the EPAs," wrote a team in a report for the EU Parliament's Committee on Development in 2014.

The report went on: "The threats presented by EPAs as articulated by many stakeholders include: significant tariff revenue losses, loss in policy space and threats to local industries, unemployment, serious disruption of existing or planned customs unions and the displacement of existing regional trade and regional production capacities." ■

("very quickly" and "trade deals" are two phrases that should never figure in the same sentence), the threat is real.

### What do we want?

Some supporters of the EU here are prone to shouting loudly that leaving won't protect us from TTIP. Like all good lies, it's based on a half-truth. If we just sit and do nothing, then of course there's nothing to protect us from TTIP and similar trade agreements.

But sitting and doing nothing is precisely what these EU fans suggest: that parliament should overturn the people's referendum decision. If that happens, then we know exactly where we will be: stuck in the EU and banned from making a trade agreement of any kind with any country.

Only outside of the EU – and therefore outside the customs union – will the UK be able to take up its seat at the World Trade Organization. It's still a member, formally, but it gave up its independent voice when it joined the European Economic Community and its customs union in 1973.

Outside the EU Britain will be able to

make its own trade agreements. Workers must make it clear that we don't want free trade: we want to be able to trade freely, which is quite another thing.

Against the freedom of the multinationals and finance capital, we must assert the freedom to protect our industries, services, agriculture and fisheries.

The last thing we want is to see the country flooded with cheap agricultural imports that knock a few pennies off the cost but lay waste to British farms and make us dependent on imports.

Nor do we want to be a dumping ground for German steel, or Chinese steel for that matter. We should insist that British steel is used on the new railways such as HS2 – and that British-made locomotives and carriages run on the new lines as well.

And if the politicians really screw up their courage, they might even insist that pharmaceutical multinationals like Pfizer that want to sell their overpriced drugs to the NHS manufacture them in Britain. Which is what a (Conservative) government forced Pfizer to do in 1952! ■

Energy has been hardest hit by the deluge of EU directives... what we could do and how we could do it...

# Make energy independent

THE MOST corrosive impact of Britain's membership of the EU has been on planning. In particular it has created energy supply chaos.

From fishing to farming, from trains to textiles, every facet of production had to fit the EU plan and not Britain's interests. Growing more potatoes than allowed, grub them up. Producing more steel than permitted, mothball the plant. Generating more electricity from coal than the directive dictates, close the power stations – and kill off coal mining into the bargain.

As well as destroying industry, the EU approach undermines Britain's ability to plan for the future. As successive governments have followed the Brussels planning line on this, our capacity to decide for ourselves what is important for our future has become rusty. Nowhere is this more apparent than in

energy production, a sector that needs planning over decades. Instead chaos and short-termism rule.

As a country we are heading for independence from the EU. But as a direct result of flawed government policy decisions, we are also heading for dependency on continental Europe for electricity.

The commitment to renewable energy production, coupled with a delayed introduction of new nuclear power capacity, has left a shortfall in national plans for electricity generation from other sources including coal and gas. Such provision is crucial to balance increasing dependency on intermittent or weather dependent sources such as wind turbines and solar cells.

The energy Capacity Market introduced in 2014 aimed to ensure security of supply by guaranteeing that entrants into the mar-

ket would be viable over time. But this has not encouraged enough investment in new power stations. Estimated demand was for four new large gas power stations. Yet only two medium sized plants have been built.

On current projections, the country needs 26 gigawatts (GW) of generating capacity from new gas plants by 2030 but is set to have 14.3 GW. This in itself may not lead to power shortages but will lead to price surges because of the way the prices are struck. The current overall capacity in 2016 was 78 GW, down from 81 GW in 2015.

## Imports

The result is that just as Britain becomes independent again, we will become more dependent on foreign electricity imports. The latest estimate in October 2017 was that by 2030 electricity imports would be 67 terawatt-hours annually. That's ten times the amount originally projected back in 2012.

To this end the government has subsidised the construction of interconnectors to the Continent. These will create import capacity of 5.5 GW by 2020. Electricity will come from France, Holland, Germany and Belgium.

Herein lies the problem. Energy dependence can translate into political dependency as well as practical issues such as the vulnerability of undersea power lines. In 2016, a ship dragging its anchor in storm conditions damaged the connector to France and halved supplies for two months. And the future energy requirements of exporting countries will affect what we can import.

France has been able to produce surplus electricity because of past investment in nuclear power. This is less certain in future. Nuclear reactors in France are almost all products of 1970s technology; many are now over 40 years old and are reaching the end of their lifespan.

Twenty units have required partial shutdowns for repairs to water circulation and coolant plants. Tricastin nuclear site north of Avignon required major safety work and shutdown its four reactors last September, cutting capacity by 3.6 GW.

President Macron is determined to cut nuclear power generation by about a third, closing 17 power stations in the next eight



Workers

## 1: Gas prices flare

THE BIGGEST jump in British gas prices in 8 years has prompted concerns in industry and government about over security of supply and an ever increasing reliance on imports of natural gas. How did this happen?

Explosions at an Austrian gas distribution hub and in a Norwegian gas pipeline. Structural failures in pipelines from the Fortes natural gas fields. Numerous recent earthquakes in the Dutch North Sea Groningen field. All contributed, as did switching from coal to gas fired electricity generation in China.

But this increase was just waiting to happen because Britain produces only 43 per cent of its gas needs. We import 44 per cent through pipelines from the Netherlands, Norway and Belgium and the rest as liquefied natural gas by tanker.

Natural gas supplies four out of five homes, and a quarter of electricity production relies on it. It's essential for us, but those supplies are not secure. Russia provides 35 per cent of Europe's gas market and might prefer to sell elsewhere. Dutch North Sea supplies are being scaled down because of the earthquakes. ■



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**‘If this government is serious about its Industrial Strategy, it will have to sort out its energy policies too.’**

years. A quarter of French production will need to be from non-nuclear sources at the same time as the British government wants to import more power from France.

The same problem applies to Belgium and the Netherlands. In spite of EU energy directives they have a greater dependence on fossil fuel production than Britain and that can't continue if they are to meet emissions targets.

Germany has multiple complications that call into question reliance on their surplus. While Britain penalises fossil fuel production, Germany has opened 11 GW of new coal fired generation since 2011. Lignite-burning stations now contribute over 40 per cent of their electricity. Germany's nuclear power reactors will be phased out by 2022.

### Failure

Britain faces a perfect storm. Imports from high emission sources supplant production here. They pay no Carbon Climate Levy and are imported using British state-subsidised interconnectors. We have failed to build our own power plants and battery storage facilities at precisely the same time as imports are likely to become less available and more expensive.

This has significant implications for our manufacturing base. Industrial electricity consumption is declining because of technological advances such as improvements in heat insulation and battery development. In addition it's due to the decline in manufacturing capacity.

Closure of a steel works does not mean we stop needing steel. It simply means we must get it from somewhere else, and we have lost direct control over quality and



**Eggborough power station, Yorkshire, the latest victim of the EU's impact on Britain. On 2 February it was announced that it will close after its last contract ends in September.**

availability. Steel is an essential product; and the issue of quality is important for our future.

Low-grade steel bought at low cost from another country might be appropriate for some applications. Specialist applications in instruments, tools and nuclear plant demand the finest quality, produced by a skilled and inventive workforce. Steel is an energy intensive industry and needs a dependable power supply if we are to make it here.

Britain needs a long-term, planned mixed energy strategy. This must reduce supply risks and has to be based on the interests of the people and industries of Britain. The EU's political aims or the balance sheets of overseas companies are not our concern.

If this government is serious about its Industrial Strategy, then it will have to sort out its energy policies too, and quickly. It will need some prompting. ■

## 2: The 'national' grid

THE NATIONAL Grid provides part of Britain's fundamental and essential strategic industrial infrastructure. Yet its ownership and management rests largely with foreign investors whose first loyalty is to their shareholders.

After privatisation the National Grid was systematically fragmented to become a stand-alone privatised utility. Sold on and sold-off eventually National Grid plc has a

major presence in the USA.

Its current shareholder base includes Macquarie Infrastructure (Australian and Chinese banking interests); Allianz Capital (the preferred insurers of the Nazis); Hermes Investment (based upon the BT pension scheme); Qatar Investment (National Wealth Bank of Qatar); and Dalmore Capital (huge private public partnership private equity investors). ■

## Problem gambling is on the rise and there is little regulation capitalist addiction...

# Gambling away people's

HAVING THE occasional flutter on the horses or buying a lottery ticket now and then won't do any harm, but for some gambling is a serious addiction and not a random bit of fun. For these gamblers, betting and playing games to win money spirals out of control and devastates lives.

The scale of gambling addiction in Britain is growing. An estimated 430,000 people have a serious gambling addiction. And more than two million people in Britain are either problem gamblers or at low or moderate risk of addiction.

Problem gambling is defined as being addicted "to a degree that compromises, disrupts or damages family, personal or recreational pursuits". The gambling regulator has warned that neither the government nor gambling companies (surprise!) are doing enough to tackle the huge problem.

A recent report by the Gambling Commission estimated that the number of British over-16s with a gambling problem had grown by a third in just a three year period, the rate rising from 0.6 per cent of over-16s in 2012 to 0.8 per cent in 2015.

The rise is due to economic troubles associated with the global recession and an increase in the number of gambling outlets. It is easier than ever before to gamble, with a massive number of online betting shops and games sites enabling people to gamble 24 hours a day. Every year, a phenomenal sum is spent in Britain on gambling – somewhere between £7 billion to £13.8 billion pounds.

Gambling is often designated in the

media as an "industry", which is a bad joke, as nothing new or productive is generated in the process of gambling, except easy-come monetary profits for owners and large-scale misery for many customers.

Gambling and betting chains merely sequester other people's money by duping and trickery. It is akin to stealing, without recourse to mugging or weaponry. An outrageous, unregulated racket, it shames us that it is currently tolerated in Britain in this form.

The NHS reckons that over half a million people currently are problem gamblers. The vast majority do not seek help for their addiction. The statistics show that only around 5 per cent of people seek help and only 1 per cent get treatment for their gambling problem. Yet gambling addiction can be treated through therapy.

### Out of control

If a gambling problem is left to develop, debts can spiral out of control and people can become withdrawn and depressed, which often affects their professional lives and relationships with other people.

Gambling can become very addictive, as the adrenaline rush associated with the possibility of pulling off a big win often gets people hooked. Most can control the desire to gamble, and if they start losing, they will stop. But for some the dream of a win is too enticing. They will carry on going, regardless of how much money they lose along the way.

To an addict, the rush associated with

winning becomes a priority in that individual's life that usually continues despite the financial or relationship troubles it causes. Lives are ruined, and not just the gambler's.

Apart from the adrenaline fix there appear to be some common causes of gambling addiction: the desire to fill a void and give a person something to do; a temporary escape from emotional problems or stress; the susceptibility of addictive personalities; the desire to block out difficult events or problems by turning to gambling; alcohol addiction where 50 per cent develop a gambling one too; depression, that doubles the likelihood of gambling addiction.

The lure of the betting shop or online gaming and betting websites has increased drastically with websites and bookies offering punters special offers, deals of the day and free bets of games to encourage people to gamble. The increase in addiction is fuelled partly by the controversial fixed-odds betting terminals (FOBTs), where betting shop customers can spend up to £100 every 20 seconds. A casual hobby can soon spiral into a serious addiction. FOBTs make up more than half of bookmakers' annual revenues, raking in over £1.8 billion a year. There are now more than 34,000 FOBTs.

**'It is akin to stealing, without recourse to mugging.'**

Below, feeding addiction: gambling shops in Leyton and Walthamstow, east London, all within walking distance of each other and all encouraging



Photos Workers



# on to protect those caught up in this quintessentially

# s lives

There are restrictions on how many FOBTs a betting shop can have, which is why you see so many betting shops – many from the same companies – close together on city streets. When residents object to yet more planning applications for new betting shops, local councils have few powers to restrict their spread.

## Addiction rates

The commission also found high rates of addiction in other parts of the industry. Some 15.9 per cent of poker players in pubs and clubs were defined as problem gamblers, with the rate going up to 20.1 per cent in the rarer practices of spread betting and the use of betting exchanges. Online casino and slots gaming, one of the fastest-growing forms of gambling, showed a rate of 10.6 per cent. And with online gaming, more women are drawn into the net.

Governments have prevaricated on introducing curbs on FOBTs or limiting gambling adverts on television. Media rumours indicate that the Treasury opposes tough restrictions or curbs on maximum stakes on FOBTs because it fears losing its tax take.

A major shift in attitudes began in the mid-1990s with the rise of the Internet. Threatened by competition from online gaming companies, casino and betting shop owners lobbied for looser regulations. The Labour government's Gambling Act of 2005 allowed advertising so long as operators included measures to address problem gambling in their establishments (as if!) and

gave the green light for larger resort-style "super casinos" in major towns and cities.

Until 2007, ads for casinos and betting shops were restricted. Only small text ads were permitted, and the shops had to shield their interiors from the public eye.

David Currie, head of Britain's advertising watchdog, has questioned the "liberalisation" of gambling, amid growing concerns that betting adverts are fuelling a surge in problem gambling. Betting was "perhaps not as regulated as it should be", but he stressed that the Advertising Standards Authority alone could not solve the problem.

The big rise in advertising for betting companies is partly responsible for luring vulnerable people into gambling. Betting adverts were banned on British TV and radio until the sweeping Gambling Act was passed in 2005, giving companies the green light to promote betting and allowed the proliferation of betting shops in poor areas, many of them operating high-stakes roulette terminals.

## Awash

Though companies must not place adverts in or around programmes aimed at under-18s and have agreed not to advertise before the 9pm watershed, they are allowed during live sports events. Televised football matches are awash with betting adverts. Despite cosmetic restrictions, the number of gambling adverts on British TV soared from 234,000 in 2007 to 1.4 million in 2012, according to Ofcom.

**'Nothing new or productive is generated'.**

Research suggests that prosperous areas have about five bookmakers for every 100,000 people, while poorer areas have about twelve. Professor Jim Orford from Birmingham University estimates £297 million of the money taken by FOBT machines each year comes from problem gamblers, whose habit is damaging their relationships and careers.

The growth of unregulated and money-crazed capitalism has meant that gambling and betting in Britain have completely changed in character in recent decades until they now cast an oppressive cloud over society. Unregulated gambling ruins lives, tarnishes our high streets and hijacks sport, cannot be tolerated. Politicians must be forced to listen to the commonsense of the professions and local residents, and not bow down before the owners of betting and gaming businesses that are becoming offensively rich from exploiting some people's failings.

We need real industry; we do not need to foster a false one like gambling. Let's seriously curb and regulate the business in the hope of reducing the scale of the gambling problem. And ultimately, let's educate with mass public relations campaigns while offering mass therapy to undermine its sway. ■

people with little money to gamble it away – and these represent only a small selection of the betting shops and casinos available in the area.





**Brexit is an opportunity to revitalise Britain's coastal communities, but they were first tricked into the EU Common Fisheries Policy in 1973.**

# Coastal communities fight

DESPITE ALL the promises made when Britain joined the EU, our coastal communities lost their marine and other industries to deindustrialisation and recession. And in 2016 millions of people living on the coast voted Leave. They felt they were losing their identity and the quality of life they had before joining the "Common Market". Now they are fighting to regain control of fishing rights.

Industry and tourism, also crucial for the economies of coastal communities, have suffered badly during our membership of the EU. They should now be possible to revive, and there are signs of revival already.

When in 1882 digging started on the Channel Tunnel in Sangatte, it was soon halted because, it was said, Queen Victoria feared invasion. She seems to have had a point. Dover and Folkestone are angry towns today: EU free movement has put an unsustainable strain on town centres and the freight yards of Kent.

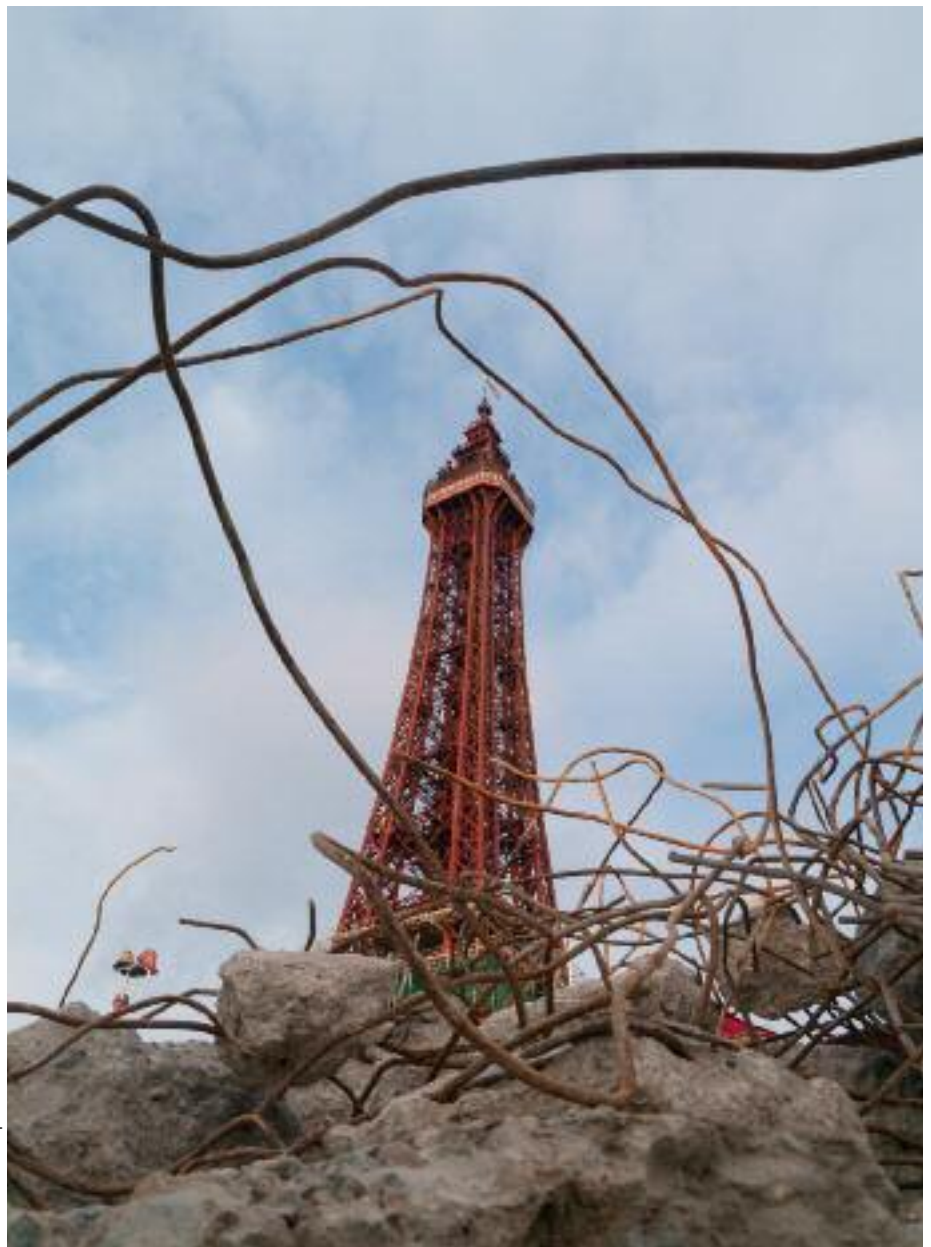
Media surveys such as "Turning the Tide" (2013) talk of "communities on the edge" or "on the fringes of Britain". From Blackpool in the north-west to Hastings in the south-east, they have become dumping grounds for the unemployed and the unwell. Hastings became the suicide capital of Britain for a while.

## Class

The seaside is inseparably identified with working class Britain. From the historic Lancashire mill workers' Wakes Weeks to the engineers' Factory Fortnights, workers and their families migrated annually to the sands of Blackpool, Berwick or Rhyl for health and relaxation. From London families travelled to Southend or Clacton. Industry, rail, and holidays by the sea went hand in hand. Today, trade union conferences contribute to the seaside economy.

Britain's long coastline is a unique national asset for recreation. Its terrain is diverse, from rugged cliffs, marshes and wetlands, to sandy beaches and urban waterfronts lined with grand Regency and Victorian hotels and convalescent homes.

As tourism diversified away from seasonal bucket-and-spade holidays, new health-giving possibilities opened up: walking or cycling the coastal paths of East Anglia, the Gower Peninsula, or Fife in



seeshootatrepeat/shutterstock.com

**Once the jewel of the north west, Blackpool has become a byword for deprivation.**

Scotland; sea-kayaking, scuba diving, water-skiing, kite-surfing, bird-watching...

While others bemoaned the referendum result, the tourist board VisitBritain quickly took a positive approach, happy to refocus on domestic rather than foreign holidays. The grim image depicted by Bill Bryson of a small backward island staffed by penny-pinching landladies could be put to rest.

Private Hire Vehicle licence rules could be relaxed to allow hotels to shuttle visitors seamlessly "the final mile" to and from train stations and ports. B&Bs and local events could apply for a licence to sell alcohol. Hotels might even offer currency exchange (subject to the EU Money Laundering Directive).

The Coastal Communities Fund

munities, which have taken a beating after they were

# ght for a future

(delivered via the Big Lottery Fund) is said to have increased the number of visitors to the English coast by 2 million since 2012. A National Coastal Tourism Academy has been set up in Bournemouth. Employment in tourism is growing faster than in Britain as a whole. Art galleries and striking modern architecture as at Margate or St Ives attract visitors to the coast.

Brighton is a typical seaside town that maintains itself through tourism. The engineering and light industry that used to support the town has gone (though R&D continues). For a while, they put their trust in finance, and companies like American Express and some of the insurance companies opened offices – now closed down.

But coastal towns cannot survive on tourism alone, even if it revives. Without the bedrock of industrial production, Britain cannot survive in the long term. EU regional policy and rules forbidding state aid gave governments an excuse to wash their hands of struggling steelworks and manufacturing in general. Many of these are on the coasts. Brexit cannot come too soon for Port Talbot and the rest of Wales, for Hull, Sunderland and the north-east.

The closure of coal mines and shipyards, compounded by the EU squeeze on fishing, has forced Fife to look to tourism for survival. On the Firth of Forth the port of Grangemouth survived a petrochemical crisis three years ago. The area is now buoyed up by jobs in tourism and the digital economy. The Kent coast slumped with the loss of coal mining and now looks to tourism.

Docklands all around Britain have been rejuvenated for pleasure and education, as at Cardiff, Bristol, Liverpool, Hull – their maritime history consigned to museums. Our ports faced outwards to the world for hundreds of years and must do so again. The

**‘Our ports faced outwards to the world for hundreds of years and must do so again...’**

development of ports will be important – for exports and fewer imports. And the expansion of regional airports is a priority.

A radical approach to training, with extended apprenticeships, is needed to overcome the barriers of seasonal fluctuations in employment, low pay, and the reluctance of private capital to invest where profits are too modest to satisfy capitalist greed.

Universities have established themselves around Britain's coast and should play their part in developing local economies. Initiatives such as the Coast to Capital Growth Fund could be replicated across the country to develop research centres, as at Sussex and Brighton universities, for automotive systems and emissions, clean energy, life-sciences, 5G connectivity and other digital projects.

## Heritage

The herring town of Lowestoft has just been chosen as one of the latest Heritage Action Zones. But this is not an accolade: its major employers are now in wholesale or retail. Its health ratings according to the 2011 census were worse than the average for England as a whole and the population includes a higher than average number of unskilled workers.

Yet others play as much of a seafaring role as ever: Great Yarmouth diversified from herring fishing to gas and oil exploration second only to Aberdeen. Its harbour is converted to a container port handling grain, cars and aggregates, and it provides Britain's main service base for wind farm maintenance. Another east coast port, Felixstowe, has developed from Edwardian resort to the largest container port in Britain.

Portsmouth recently welcomed the Royal Navy's biggest ship, an aircraft carrier newly built and launched at Rosyth. Defence, independent of the EU and the US, must be part of our post-Brexit planning.

Most coastal towns have an industrial, as well as agrarian hinterland, with the potential for new jobs and modern industry. If the status of farm work can be raised, buying power could lift the economy of nearby resorts.

Survival is due to the ingenuity and resilience of a people – no thanks to capitalism. No thanks to the EU. If the EU had been good for us, we would not be witnessing the

**‘Survival is due to the ingenuity and resilience of a people – no thanks to capitalism...’**

misery of coastal blight.

Thankfully organisations have sprung up to fight for regeneration. The Coastal Communities Alliance with its “Seafront Strategy” is one of these. In June 2017 they vowed, “We will rebuild.” Likewise the Fish Market Alliance reported in the local Suffolk paper: “Today laid the cornerstone for a new beginning for the fishing industry in Lowestoft....The goal is simple: we want 200 miles of sea and all the fish within it...Brexit is a fantastic opportunity to rebuild a multi-billion pound industry.”

Those who seize the opportunities of independence early will outwit the doom-mongers Soros and Blair.

An inclusive combined manufacturing and tourism strategy – one that is less of a lottery, that casts its net wider than London and the south-east, beyond the over-subscribed cathedral cities, or the so-called “northern powerhouse” – could integrate towns and resorts into a nationwide plan.

Investment should include flood defences, coastguard patrol, social housing and transport. Fishing and boatbuilding communities such as those around the East Anglian coast have been cut off ever since Beeching wielded the axe. Now they are bypassed by the London-Cambridge science and technology corridor, while the channel tunnel by-passes the Kent coast.

Although the A303 expressway will make a difference, Cornwall and Devon badly need re-routed high speed rail: rough seas regularly wash away part of the only line connecting them to London.

To take full advantage of Britain's coastline, people right across the country need the restoration of rail and bus links.

In short, build on the past, but look to the future. ■



# CPBML MAY DAY MEETINGS 2018

## TAKE CONTROL FOR AN INDEPENDENT BRITAIN!

### The referendum result was clear.

Now sections of the establishment are manoeuvring to thwart a full Brexit by preventing a clean departure.

What's to be afraid about? If the EU continues to refuse real negotiations, we should be prepared to walk away.

The people must take responsibility and speak out. We must unite to make government and Westminster too afraid to construct deceitful half-way houses that mean no real departure.

### What does Britain need to be an independent country?

Control over our economy and our borders, and the freedom to trade in the way that suits us best. Sovereignty over our land and our seas. Control over our laws. And we must assert control in the workplace – an end to the EU's anti-union laws.

That means no to the single market, no to the customs union, no to the European Court of Justice. It means real independence.

**Leaving the EU means we cut ties with it.** We are not in a "divorce". We don't have to pay maintenance and we don't have to give the EU visiting rights. We will be leaving. It's that simple.

We are a country rich in skill, in science and technology, one of the largest economies in the world. Independence will liberate us from the diktats, doom and decline of the EU. We have a world to win.

On the occasion of the 50th anniversary of the founding of the CPBML, we invite you to celebrate with us the prospects for independence.

**Workers of all lands, unite! Fight for independence!**

**SEE CPBML.ORG.UK FOR UP-TO-DATE NEWS OF ALL CPBML EVENTS**



### GLASGOW

Speakers and discussion  
Tuesday May, 7pm  
Renfield Conference  
Centre  
260 Bath Street  
Glasgow G2 4JP

### LEEDS

Conversation and  
refreshments  
Tuesday 1 May, 7.30pm  
Cosmopolitan Hotel  
Lower Briggate  
Leeds LS1 4AE

### LONDON

Speakers and social  
Tuesday 1 May, 7.30pm  
Conway Hall  
Red Lion Square  
London WC1R 4RL



## At last, an optimistic book setting out how Brexit can make life better for Britain...

# Positive thinking

*Beyond Brexit: a positive vision for a successful post-Brexit economy*, by Robert Jameson, paperback, 60 pages, ISBN 978-1547187003, CreateSpace Independent Publishing, 2017, £3.99, Kindle edition available.

ROBERT JAMESON has written a book full of ideas and full of optimism about what we can do as an independent country. He sets out our needs in a straightforward way and asks how we can achieve them.

We have to improve people's economic lives. How do we do so? The secret of economic success is no secret – it is to invest: "You invest, you invest some more and you keep investing, without fail."

He means not investment for financial gain but real investment, "devoting real resources towards improving our infrastructure, enlarging and improving our stock of capital equipment and advancing science and technology – and real investment in terms of educating and training our people".

For example, we need nationwide superfast broadband. We could have just switched everyone over to the new fibre-optic cables. But we didn't. Why not? "Because the government and the telecoms companies were desperate to get every penny out of broadband customers - and didn't want to pay for anyone to receive an improved service, unless and until they agreed to pay the higher rates." (For more on this, see *Workers* November/December 2017.)

The EU policy of privatisation has done much harm to Britain. Jameson gives an example: "we went through the trauma of the privatisation of our energy production and distribution industries. This was supposed to lead to rising efficiency levels and

**"Concentrate on improving education, health, transport and energy..."**



**Royal Mail vans on Mull. EU competition laws have driven up prices in the postal industry.**

lower consumer prices. Unfortunately, it did nothing of the kind. We now have astronomically high energy prices. Part of the problem is that the privatisation process itself led to a lot of investment being put on hold. And then the privatised energy companies seemed far more interested in short-term profits than in long-term energy security."

The EU exists to promote the interests of capitalism: "In many respects, the world has been involved in a race to the bottom, where quality issues, long-term costs, workers' rights and environmental damage have frequently been largely ignored in favour of simply seeking ever lower unit prices."

### Driving up prices

The EU policy of imposing competition has also harmed Britain: "In the postal industry, instead of driving down prices, competition is used as an excuse to drive up prices. Stamp prices must increase, we are told, because of the effects of increased competition. We have a multitude of competing delivery services with, collectively, far higher costs and much higher prices than we could have easily had with a single postal provider, owned or regulated by the government."

Jameson points out that "Most EU customers of UK firms will probably remain customers after Brexit. They don't trade with us because they feel camaraderie with us as fellow members of the EU. They trade with us because they gain by doing so."

He reminds the reader that EU states have to accept an unlimited number of immigrants from other EU countries. Millions of people in Britain voted to leave so that we could bring immigration down to more sensible levels. Controlling immigration will reduce pressure on housing and infrastructure, allowing more people to have decent homes and better lives.

We can use a simple system of work permits. If anyone from another country wants to live and work here, they can apply for a work permit. If the vacancy cannot be filled by someone already here, then a work permit may be issued.

Not having to accept unlimited immigrants from the EU, he says, means we have the chance "to concentrate on qualitatively improving our education system, our health service, our transport system and our energy infrastructure, rather than on constantly having to upgrade their capacity." ■

Anything outside the norm that attracts support from the people by vested interests is likely to be labelled “populist”. What

# Populism: a force to reckon with

IN THE LATE nineteenth century a movement calling itself populist played a significant positive role in the history of the USA. A new political term was born. But “populism” is now widely used as a term of abuse.

The word comes from the Latin word for people, *populus*. It was the P in the Roman logo SPQR, the Senate and People of Rome. Romans were proud of that as it proclaimed the original idea of Roman democracy arising from the people.

America was in political turmoil after the end of the Civil War in 1865. Capitalism was rampant and the impoverishment of farmers extreme. Political parties represented only the interests of capitalists and big landlords, including the defeated slave owners.

No one spoke for the homesteaders in the west or the poor white agricultural workers in the south. Like the freed slaves, those workers were trapped in a share-cropping system controlled by landowners. And of course no one spoke for the rapidly growing ranks of industrial workers.

Farmers and workers on the land struggled to survive on the newly cultivated land of the midwest and in the south. Crop prices fell as output rose and boom turned to bust. Railroad barons grew rich by cheating farmers, using monopoly to extort high rates for taking their goods to market. Farmers grew indebted to the banks, especially when crops failed. Mary E Lease, mocked in the press as the “Kansas Pythoness”, urged farmers to “raise less corn and more Hell.”

Farmers organised alliances such as the Granger movement in the midwest, to fight railroads and banks. They demanded laws to control the railroads and end the gold standard introduced in 1873. That move had abolished silver money and forced farmers to repay their debts with dearer money backed by gold.

The lack of democracy hampered the

**‘No one spoke for the homesteaders or the poor white agricultural workers.’**

farmers’ efforts, so they argued for political reforms such as the direct election of US senators to replace selection by state legislatures. They demanded the right to be heeded in the state legislature when they raised an issue (called the “initiative”) and to hold a referendum on it. They also wanted the power to recall any elected official before the end of their term, and the introduction of secret ballots.

But it was difficult to build unity among the different farmers’ organisations – in particular in the south. Freed slaves were not welcome in the white farmers’ alliances and had to organise separate “colored farmers” organisations.

The demand for monetary reform led to the formation of political parties such as the Greenback Party, which called for money not backed by gold as an answer to economic crisis. It ran candidates for president in 1876, 1880 and 1884, and prompted a widening debate. Then in 1891 the People’s (or Populist) Party was formed, demanding silver money, a graduated income tax, and the democratic political reforms advocated by the farmers’ alliances.

## Angry

James Weaver ran for president on the Populist ticket in 1892, polling over a million votes. When the financial crisis of 1893 hit, the normally Democrat voters in the south and midwest were angry and drawn to the Populist programme, so the Democratic Party adopted it – in part – focusing on monetary reform and getting financial support from silver mining interests. It had a great orator in William Jennings Bryan, Democratic presidential candidate in 1896.

The wealthy north-eastern capitalist establishment swung into action to oppose Bryan, running a heavily financed campaign based on fear. Free coinage of silver would ruin America, they said. The populist Democrats lacked support among industrial and urban workers; the capitalists played on their fears for the value of their wages.

Despite Bryan’s oratory and a famous whistle-stop campaign, he lost to William McKinley. The economy was turning from bust to boom, and farm prices were slowly rising. The discovery of gold in California and Alaska ended its scarcity, lowering the



Promotional poster for the Grangers from around 1880

value of the gold-backed currency.

Hijacked by the silver lobby, populism declined rapidly after 1896. And despite some links between farmers and organised workers, it lacked a long-term strategy for all workers. Meanwhile Presidents William McKinley and Theodore Roosevelt focused on conquest and expansion, leading to the Spanish-American War of 1898 and other colonialist adventures.

Yet populist ideas about extending democracy had gained currency, and many were eventually adopted. Later legislation introduced the direct election of senators, citizens’ three rights of “initiative”, referen-



people but is feared  
does it mean?

kon with



1873.

dum and recall, the secret ballot and graduated income tax.

Populist ideas also formed an important part of the reform agenda during the following period, called the era of "Progressivism". The banks were reformed and anti-trust legislation was passed during the presidency of Woodrow Wilson (1913 to 1920).

Later Franklin Roosevelt directly tackled the Great Depression. He aimed to relieve the distress of working people through the New Deal. From fighting it tooth and nail, the US capitalist establishment had tamed populism by adopting, if not its spirit, most of its programme. ■

Worried about the future of Britain? Join the CPBML.

# NO ADVANCE WITHOUT INDEPENDENCE

The Communist Party of Britain Marxist-Leninist held its 17th Congress in 2015. The published Congress documents are available at [www.cpbml.org.uk](http://www.cpbml.org.uk). At that time the need to leave the EU was urgent, and on 23 June 2016 the working class of Britain took the vital step to eject the EU from Britain and entered a new epoch. The tasks identified at the 17th Congress remain as relevant as ever, and the decision to leave the EU makes the question of Britain's independence immediate and practical. The tasks facing the working class and Party are:

**Develop a working class industrial strategy** for the building of an independent industrial manufacturing base for Britain, including the development of our energy industry. Our capacity to produce is the basis for providing the public services the working class needs.

**Rebuild Britain's trade unions** to embrace all industries and workplaces. The trade unions must become a true class force not an appendage to the Labour Party or business trade unionism. Reassert the need to fight for pay.

**Preserve national class unity** in the face of the European Union and internal separatists working on their behalf. Assert workers' nationalism to ensure workers' control and unity. Resist the free flow of capital and the free movement of labour.

**Oppose the EU and NATO (USA) militarisation** of Britain and Europe and the drive towards war on a global scale. Identify and promote all forces and countries for peace against the USA drive for world domination by economic aggression, war and intervention. Promote mutual respect and economic ties between sovereign nations on the principles of non-interference and independence.

**Disseminate Marxist theory and practice** within the working class and wider labour movement. There is no advance to socialism without Marxism. Develop again our heritage of thinking to advance our work in and outside the workplace.

**Re-assert that there are only two classes in Britain** – those who exploit the labour of others (the capitalist class) and those who are exploited (the working class). Recruit to and build the party of the working class, the Communist Party of Britain Marxist Leninist.

### Interested in these ideas?

- Go along to meetings in your part of the country, or join in study to help push forward the thinking of our class. Get in touch to find out how to take part.
- Subscribe to *Workers*, our bimonthly magazine, either online at [cpbml.org.uk](http://cpbml.org.uk) or by sending £12 for a year's issues (cheques payable to *Workers*.) to the address below. UK only. Email for overseas rates.
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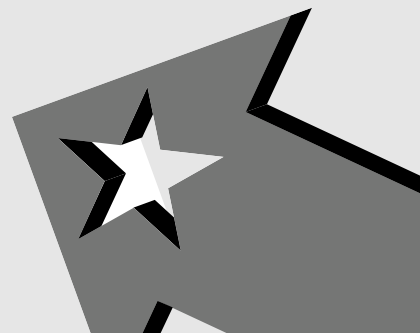
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# Public service, private chaos

**‘While workers are suffering as a result of the collapse, some are doing very well out of Carillion.’**

OVER 20,000 workers are finding themselves in the role of sacrificial lambs on the altar of the private provision of public services following the collapse of Carillion. It went bust with £1.5 billion in debts and pension fund deficits of more than £580 million.

Carillion had a significant stake in fulfilling government and public service contracts in areas including the NHS, the Ministry of Defence and Network Rail.

The staff who worked for Carillion will get only statutory redundancy payments despite the majority of staff continuing to work under the liquidator PricewaterhouseCoopers (PwC). Their pay and conditions and their union rights are likely to be eroded. Because Carillion is in liquidation, even the relatively toothless TUPE Regulations that normally apply to staff transferred with a contract will not apply.

Union recognition will not transfer either. So much for the EU-conferred “workers’ rights”.

Pensions will be severely hit, with staff transferred to the Pension Protection Fund, where any future pension payments will be capped at 90 per cent of what they would have expected to receive and subject to a maximum of around £30,000.

Carillion employed “front line” construction workers through sub-contractors, and these are faring particularly badly, being in many cases casual workers on bogus “self-employment” arrangements, employed through agencies, or on zero hours contracts, with little or no union organisation.

The government has refused the TUC’s demand for staff transferred to new employers to do so with no loss of pay, conditions or pensions. Some unions will be able to force employers to recognise them and give staff transferred a decent deal. Many won’t.

Carillion’s collapse has given rise to concerns about the finances of other contractors. The government has apparently confirmed that contingency plans have put in place to mitigate against the collapse of Interserve.

Some lawyers rub their hands when they hear of a death – probate can be very profitable. Likewise, company failure is a

lucrative field. While workers are suffering as a result of the collapse, some are doing very well out of Carillion.

PwC is getting £50 million for dismantling Carillion. And before Carillion’s collapse, PwC was paid £750,000 a week by the government to advise the Cabinet Office about how to deal with Carillion’s failure.

Carillion executives banked around £4 million in bonus payments in 2017, and were or in some cases still are on telephone number salaries. Astonishingly (or not) the Carillion remuneration policy was amended only last year to prevent directors’ massive bonuses from being clawed back in the event that the company went bust.

For capitalism it’s not enough to get rich by exploiting the labour power of workers. That’s a process that requires them to make and sell useful products. For many years *Workers* and many unions have been chronicling the direct transfer of wealth from “us” to “them” that is represented by the Private Finance Initiative (PFI). The catalogue of problems not only continues but gets worse.

And lest we forget, while it was under Major’s Tory government that PFIs were introduced, it was under Blair’s Labour government that PFIs really took off. Thanks, Gordon Brown. Workers are now paying the price of that through their taxes, and for Carillion’s employees, through loss of jobs, pay, decent conditions, and union organisation.

In January the National Audit Office (NAO) published a report which shows that PFI contracts have left taxpayers spending billions of pounds extra on schools and hospitals with little evidence of any tangible benefit. There are 716 PFI projects currently, worth around £60 billion. Payments just for existing projects are forecast to total nearly £200 billion over the next 25 years.

The NAO found that many public bodies feel trapped by PFI contracts, unable to avoid the very high exit fees involved. Some braver public sector organisations have nevertheless terminated the contracts, and others should follow their lead – and refuse to pay the exorbitant exit fees. ■

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## NEW BREXIT PAMPHLET

**Take Control** spells out clear red lines for independence from the EU and calls for the campaigning bodies left dormant after the referendum to be reactivated.

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