

Mass Strike

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65 hours

Privatizations

Bologna

Deportations :

European Union



MASS STRIKE is the Bulletin of INTERNATIONAL LUXEMBURGIST NETWORK. In this organization we group together Luxemburgist militants, who are in general agreement with the ideas of Rosa Luxemburg. Our aim, as members of the working class, is to help to organize a world revolution, contributing our perspectives based on radical socialism and democracy.

At present, we have militants in France, Norway, Portugal, Spain, the United Kingdom and the USA. Obviously, we are not, nor do we try to be, the only activists who base themselves on the work of Rosa Luxemburg. Neither do we believe that Luxemburgism can be a dogma. All militants can exhibit freely their ideas, since Freedom is an indispensable condition for the construction of Socialism.

Luxemburg's work on the democratic self-organization of the working class, the mass strike process, the functioning of capitalist accumulation and her unwavering opposition to all forms of nationalism is, we believe, critical to understanding and acting on today's world. But her work grew out of living, evolving tradition of Marxist working-class thought that includes the work of many others before, during and since her time. We draw on that larger tradition, not on her work alone.

We encourage all those who agree with the ideas of Rosa Luxemburg to contact with us and to join this Network, since it is open to all.

International Luxemburgist forum
<http://luxemburgism.forumr.net>



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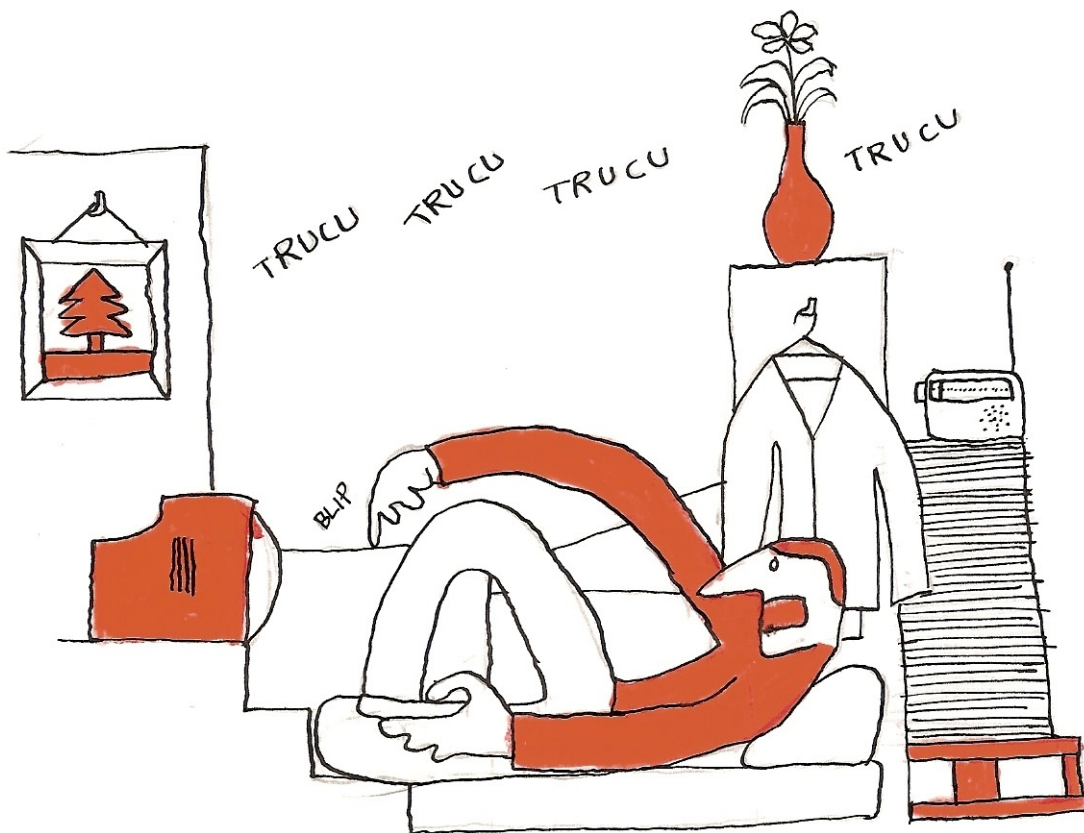
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Thanks to the new directive of 65 hours per week workers will no longer pay the rent for housing

Greeting to International Immigrant Alliance Conference

In a world where capital can move freely across borders, humans have to risk their lives if they attempt to do so. Migrant workers throughout the world are being hunted down, humiliated, detained, and sometimes killed. The largest movement of migrant workers in the history of the earth is marked by a mass destruction of social welfare programs, attacks on workers rights and restriction on liberty and democracy.

In order to hide the real causes capitalist crisis, migrant workers are portrayed as criminals and as the cause of society's dysfunctions. Governments all over the world have passed laws persecuting migrant workers, and at the same time destroying democratic freedoms of native born residents. This is the oldest trick in the book : divide and conquer.

The solution is the opposite. Workers, native born and migrant, must reject nationalist boundaries and unite as a class, an international working class.

Migrant workers are beginning to lead militant strikes throughout the world demanding the right of movement, the right to democratic liberties and the right to living wages and safe working conditions. It is through this process of mass strike movements that class consciousness will develop - both among immigrants and native born. Rosa Luxemburg identified this mass strike process as the pathway to revolutionary change.

A group of students of Luxemburg have joined together to build a revolutionary movement based on freedom of movement and a world free from capitalist exploitation. We express our solidarity and we hope that this Conference would contribute to empower workers internationally.. Only this way, can one imagine another world, fair and democratic where : no one is illegal, nadie es ilegal, personne n'est clandestin, geen mens is illegaal...

**Papeles para
todos y para todas**



**Ningún ser humano
es ilegal**

This **Mass Strike** issue made it happen:

Alberto Esparcia (Spain)

Alberto Iglesias (Spain)

Cesco (United Kingdom)

Claudia (Spain)

Eric Lerner (USA)

Inti (France)

Jay Arena (USA)

Jeannette Gabriel (USA)

Joao Pedro Freire (Portugal)

José María Delgado (Spain)

Paco Fernández (Spain)

Rafael Clemente (Spain)

Sirco Kazabian (Norway)

**FOR A UNITED WORKING CLASS ALTERNATIVE
SHORTER HOURS, NOT LONGER!
OPEN BORDERS, NOT A WAR ON IMMIGRANTS!
PUBLIC HOUSING AND EDUCATION FOR ALL, NOT
PRIVATIZATION!
MAKE THE CAPITALISTS PAY, NOT US!**

The European Union has launched the biggest attack of its history against the working class. The 65-hour directive, the anti-immigrant directive, the Bolkestein directive and the Bologna Plan are part of single plan to reduce the cost of labor, to transfer wealth from labor to capital. If the work week is longer, and thus there are fewer jobs and more unemployed, wages are driven down. If immigrants are terrorized to the point that they feel they must take work at any wages, the wages of all are driven down. If through privatization work is transferred from a higher-wage a lower-wage work force, wages are driven down.

The EU's plan, in reality, is to divide workers against each other, to create a continent-wide competition of countries, industries and individual to race downwards to levels set by the directives. That is why we have to reply to this not with a series of disjointed protests against individual directives, but with a single, coordinated campaign. Unions fighting against the 65 hours directive, immigrant organisations fighting the "directive of shame", students fighting the Bologna plan and public sector workers fighting the Bolkestein directive need to unite in a single struggle against the EU plancoordinating days of actions and combining demands.

Nor can we respond just by rejecting their planfor they will come up with other attacks. We must pose our own working class alternative that will be what WE want.

-REDUCTION OF THE WORK WEEK IN ALL COUNTRIES TO 35 HOURS FOR ALL WORKERS, WITHOUT REDUCTION OF WAGES OR LAY OFFS. DEFEAT OF THE 65 HOURS DIRECTIVE.

-EQUAL RIGHTS FOR ALL, REGARDLESS

OF IMMIGRATION STATUS. FREEDOM OF MOVEMENT ACROSS ALL BORDERS. ABOLITION OF THE DIRECTIVE ON IMMIGRATION.

-FREE HIGHER EDUCATION FOR ALL, MASSIVE PUBLIC WORKS PROGRAMS WITH DIRECT GOVERNMENT EMPLOYMENT TO GUARANTEE HOUSING AND ESSENTIAL SERVICES FOR ALL. DEMOCRATIC CONTROL OF PUBLIC WORKPLACES, WITH REPRESENTATION FROM WORKERS AND THE COMMUNITIES INVOLVED. END TO ALL PRIVATIZATION, ABOLITION OF BOLKESTEIN DIRECTIVE AND THE BOLOGNA PLAN.

-FINANCING PUBLIC WORKS AND EXTENSION OF PUBLIC SERVICE BY ENDING CORPORATE SUBSIDIES AND GREATLY INCREASED TAXATION OF CORPORATIONS AND OF INDIVIDUAL CAPITALISTS.

-PROHIBITION OF LOCKOUTS, OF DISMISSALS AND LAY OFFS

Only a massive Europe-wide movement for such broad demands, a process of mass strikes, spreading beyond individual sectors, can win concessions. Given the crisis, such concessions under capitalism will tend to be temporary. But in these mass strike struggles the workers can acquire the organizations and consciousness to radically change the world, to replace capitalism with a democratic socialism that will permanently provide a decent life for all.

We call on all organizations to join in meetings and forums to plan such a joint campaign this fall.

International Luxemburgist Network

China's Coming Economic Earthquake

Eric Lerner

In the center of Dujiangyan, China, is a pile of rubble that was once Xinjian Primary School. Most of the students were killed in the Sichuan earthquake, among the more than 10,000 students who died. Yet around that pile of rubble stand, almost untouched, office building and hotels. The destruction of the school, whose students came from worker and peasant families, was not random. Like many of the schools that crumbled in the earthquake, it had been built with concrete diluted by sand, and with too few iron reinforcing bars. While the hotels and office building (and the schools for the elite) were built to meet China's building codes, the central and municipal governments had for years knowingly cut corners on workers' and peasants' schools. The earthquake exposed with horrendous deadliness the priorities and cracks of China's economic boom.

But as it begins the recovery of Sichuan from the massive quake, China faces an economic shock that will affect a much larger part of her vast population and that will uncover much larger weaknesses in China's economy. The export growth that has driven the boom of the last decade is slowing down and will soon halt as the global economic crisis cuts imports to the industrial countries. The result will be a swift rise in unemployment as the export sector contracts. Will the Chinese governments be able to counter this shock and continue rapid economic growth? Will China continue to be the driving engine for the global capitalist economy? The Chinese working class, and indeed the working class of the entire world will face drastically different conditions depending on how these questions are answered.

China's Boom

There can be no doubt that, since 2000, the Chinese economy has grown at a faster pace than practically any other nation in history, a pace that was an enormous acceleration from the decade before. In the past eight years, the rate of growth in coal production has jumped to 10% per year from only 3% per year in the '90's. For steel, growth has been 22% per year, from 10% in the previous decade, for machine tools again 22% per year from almost no growth earlier. China has become by far the largest producer of steel in the world; with current output of 400 million tons a year nearly quadruple that of the United States.

China growth is completely tied to the world economy. Beginning in 2000, foreign investors have poured over \$500 billion into China, developing the export sector that has driven China's boom. Over half of China's industrial output now goes for export. Annual exports to the industrialized countries have nearly tripled; increasing by \$350 billion in real dollar terms and imports from those countries has increased by nearly as much. Trade with China has increased more in these years than the industrialized countries trade with all the rest of the developing world.

It is this trade that has been world capitalism's life-blood in the last decade. As the German socialist Rosa Luxemburg showed almost a century ago, capitalism can not survive as a closed system of only capitalists and workers. In such a closed system, there would be no way to convert the surplus produced by society, the goods needed for growth, into monetary profit. Capitalism to this day has only survived and grown by selling its surplus to non-capitalist producers those who own means of production but who accumulate no capital. Since the beginning of capitalism those producers have been mainly peasants, who, until very recently, constituted the majority of the world's population. But today they include as well state-owned manufacturers and it is China's still large state sector that has been critical to the past decade's global economy.

At every point in its history, capitalism has expanded only by absorbing new external markets. By the end of the post-war boom in the 1970's the whole world outside the Soviet Bloc and China was integrated into a single global system. Economic expansion came to a halt and capitalism began to consume itself, driving down worker and peasant living standards. The decline was slowed only because capital was able to absorb the state sectors of first Eastern Europe, then the Soviet Union in the 1990's, followed by China in the past decade.

The Chinese State-Sector

In both the former Soviet Union and China, the bureaucrats of the Communist Party transformed themselves into capitalists, privatizing in their own hands the state-sector manufacturing. But the Chinese government's approach to the state sector has been markedly different from that of

the post-Soviet governments in Russia, Ukraine and elsewhere. While the Russians privatized the state sector overnight, in the process looting it and cutting production by 50%, China has moved far more slowly, preserving a core state sector that is critical to the economy. At the same time as employment in the state sector is steady falling, production has increased, as the government, which controls the financial sector, pours billions in buying the latest equipment for state industry.



Thus from 2000 to 2006, the state sector's share of manufacturing employment dropped by half from 27% to only 13%. But in the same period the absolute output of the state sector doubled, and its lead in productivity over the private sector widened. While the state sector has only one eighth of China's manufacturing workforce, it produces nearly one third of the manufactured goods. In certain "heavy industry" sectors that the government deems key--steel, machine tools, industrial machinery state production still dominates. For example, 75% of all steel is produced at state-owned companies.

The Chinese policy of delaying the complete privatization of the state sector was undoubtedly motivated in large part by the fear that without some direct Party control over the economy, the working class movement would be far more dangerous, since in China the workers had been far less demoralized and atomized than in the Soviet Union.

It is the growth of this state-owned sector that has made possible China's boom. On the one hand, the ability of the Chinese government to deploy these state-owned resources allowed the rapid growth in the export industries that would have been impossible anywhere else. The Chinese could build new ports, overcome infrastructure and energy bottlenecks, throw up housing if not too well-built for some of the hundreds of millions of workers moving to the booming coastal areas. But equally important, this state sector constituted another external market for the multinationals, which fed it with growing imports of machinery. Unlike China's privately-owned industry, the state sector does not compete for profit with the foreign multinationals. Like the Chinese peasantry, it is a

non-capitalist producer and a huge one at that.

The key exchange between the multinationals and the state sector occurs within China. The way that this has worked is that foreign multinationals corporations sell producer goods machinery, mainly to the Chinese state sector which in turn makes and sells producers goods such as factory buildings to the export sector or provides it free in the form of infrastructure. The export sector, itself is overwhelmingly 90% or more-- in private hands and for the most part owned by foreign multinationals. Some 60% of all private manufacturing in China is foreign-owned and the percentage is highest in the most export-oriented industries such as electronics. The export sector then produces mainly consumer goods especially electronic, but also clothing, etc.,-- and sells that back to the industrialized countries.

The scale of the contribution to trade of the state sector can be estimated by comparing the output of the state manufacturing sector around \$660 billion in 2006 with total manufacturing imports--\$600 billion in the same year. Without the state sector, China's trade would be internal trade within the multinational companies themselves and could not help the problem of expanding the market. But with the state sector, the multinationals are able to realize sell-- a section of their surplus to the non-capitalist Chinese state sector.

The Chinese capitalists have profited immensely from this same trade as junior partners to the multinationals. Chinese-owned private manufacturing has grown by more than 10-fold from 2000-2006, generating tens of billions of dollars in profit for their owners. And in turn these owners are nearly all tied to the Chinese "Communist" Party, who now represents their interests.

The limits of the boom

China's boom was extraordinary, but is not long-lived. Its limits are being reached already this year. By the first quarter of this year, total annual imports of \$1.1 trillion almost matched the combined total output of the state sector and China's agriculture sector combined that is all non-capitalist producers. This is the limit of what can be realized for global capital. Reaching such a limit was inevitable, because capitalism destroys non-capitalist producers even as it needs them as a market. In China, private companies have been buying up state industries for years at bargain prices, and squeezing tens of

millions of farmers off of land seized for factories and commercial development.

Even by mid-2007 as this limit was approached and the huge flow of capital from China to the US slowed, an economic chain reaction was set in motion. The reduction of capital flow led to a reduction in refinancing of US mortgage holders. Those who could not refinance and were stuck with high-interest "sub-prime" mortgages started to default, setting off a collapse of real-estate values and the resulting financial crisis. This in turn led to a decline of imports to both the US and Europe, raising unemployment and launching a global recession.

If China's exports stop growing or even decline, China's private sector will stop adding the 10-12 million jobs per year that it has in the past several years. This will start running up China's already substantial urban unemployment rate by about 5 percentage points a year. This is a threat the government is well aware of. In a March 9 interview with BBC, Labor Minister Tian Chengping said that China is facing a very severe unemployment problem, adding that 20 million new workers entered the labor market each year, chasing only 12 million jobs. But those 12 million jobs will not exist next year if exports stop rising.

Even during the boom, when unemployment was steady and wages were rising, the Chinese government has faced a growing wave of strikes, almost all illegal and outside the structure of the government-run unions. If millions of urban workers are rapidly laid off, the potential for mass resistance is much greater. Without any pretense of an ideology, the CP regime in China has popular support only to the extent that the economy delivers a rising standard of living, at least in the cities. Mass unemployment would chop off that support. The danger to the regime is that now-isolated working class revolts would merge into a nation-wide movement.

China's needs

But can the Chinese government head off such mass unemployment by re-directing industry to domestic consumption? There is no doubt that China has immense unmet needs that the boom has passed over and that production could be re-oriented to meet. The agricultural sector has been shorted, with per-capita grain production down 8% since its peak in 1996. To maintain consumption, China has drawn down

their grain reserves by 70%. With grain reserves at historic lows both in China and internationally, food prices have risen rapidly in the past year.

The main reason for the fall in production has been a 10% decline in land under cultivation as millions of hectares have been taken for commercial use. But underinvestment in agriculture has led to stagnating rice yield per hectare as well. Before 1998, China's rice yield was increasing over 1% per year, comparable to the growth rate in the US, but they have been flat since then. While tractors are by no means the solution to all agricultural problems, a symptom of underinvestment in agriculture is that China produced in 2006 7 million motor vehicles but only 200,000 tractors. Again, capitalism destroys the non-capitalist producers that it relies on for a market.

Pollution mitigation is a second obvious area of massive underinvestment. China's polluted air and water has a major impact on the health of its population. Nor has the health sector kept up with China's needs. The number of doctors per capita has fallen since 2001 and China has begun to lag seriously in life expectancy and infant mortality. In 1975, China slightly exceeded Mexico, for example, in life expectancy but it now lags behind by 3 years.

Of course earthquake-proofing existing building is another major unmet need.

The one-child policy is a major cause of underinvestment in China's own working population. By enforcing this policy, China's government reduces workers' income below the level needed to reproduce the population. In the process they are generating an enormous long-term problem in forty years as the very large age-groups born in the 1980's reach retirement, with a smaller base of workers supporting them. Allowing Chinese families to have two children would necessitate greater investment in housing and education as well as higher wages.

Will the CCP Meet these needs?

So clearly there are immense needs that state-owned sector could be re-directed to fulfill and filling those needs would generate tens of millions of new jobs to counter unemployment created by export declines. But would the ruling Chinese Communist party willingly do this? Not at all because to do this would massively reduce the profits of the capitalists who control the CCP. Any of these steps would mean shifting

resources to worker and peasant consumption including the essential services that workers and peasants need. Either this would have to be accomplished by raising wages which would be essential if family size increased or by taxing capitalist income for example to pay for pollution mitigation. At a time when the capitalists will be struggling to cut wages to compete for a shrinking export market, any increase in wages will doubly reduce profits. Thus the CCP will not in the least want to carry out such policies. This is for the exact same reason that Luxemburg pointed out a century ago the capitalists can not resolve the problem of who will buy the surplus production by raising the wages of their own workers!

Indeed, a contraction of exports will move the Chinese capitalists to much more rapidly privatize the remaining state sector. As profits from exports fall, the capitalist who control the CCP will try to compensate by grabbing ever larger parts of the state sector, so that instead of expanding to meet domestic needs, it will likely begin to contract in output, as well as in employment, thus destroying the basis for future booms.

But the CCP may be forced to move in a different direction by a mass workers movement and in order to preserve their own power. The CCP no longer has an ideological base and the leadership rightly fears that if there is growing unemployment, unemployed and employed workers may join in revolt and demand solutions from the government. This is what happened in many industrialized countries in the 1930's and the growing ferment within the Chinese working class makes this a possibly again in the near future. If such a mass movement were to arise, the CCP may make concessions, in the form of state-funded projects to meet some of China's huge needs.

The key thing to understand is that, so long as power lies in capitalist hands, such concessions must be temporary ones. Since profits will be slashed, or probably turned into massive losses by the increase of workers incomes during a period of market contraction, the CCP would just be waiting for any subsidence in the workers movement to take the concessions back.



The democratic socialist alternative

The only way that a reorientation of the Chinese economy towards fulfilling the domestic needs of workers and peasant can become permanent is if the working class and the peasant can take control of the economy and run it democratically. The bureaucratic control of the economy that arose from the Chinese revolution, like that in the Soviet Union, lead inevitably to first the formation of a separate layer whose interests diverge from those of the workers and peasants, and then the conversion of that layer into a new capitalist class. As always the basis of class rule is the separation of decision-making from carrying out the decisions.

A socialist society, in contrast, must be based on the abolition first and foremost of the distinction between workers and decision-makers those who do the work must make the decisions, at the local, regional and national level. Concretely this means not only must factories be run by elected workers councils, but the state banks which in China direct resources must also be run democratically by delegate elected from the whole society.

Of course any socialist movement that might arise for a mass strike wave in China would have to demand the strengthening of the state sector, an end to privatization and re-nationalization of the bulk of industry for otherwise much of the economic decisions will rest with the capitalists. But state ownership by itself resolves nothing, as the history of China since the revolution has shown. It is democratic decision-making that alone can ensure the priorities of the workers and peasant are the priorities of the economy. The workers and peasants can not entrust these decisions to others they must do it themselves.

Such democratic control over the economy can only arise from the struggles of a mass movement that is itself democratically structured. As in many other countries, during mass strikes, democratic organs of worker struggle strike committees, workers councils, will come into being. If such organs consciously strive to take into their own hands the direction of the economy, in the process overthrowing the capitalist dictatorship of the Chinese



“Communist” Party, the it would be possible for socialism to arrive in the world's most populous nation. As Luxemburg wrote in 1918, criticizing Lenin's new dictatorship, “socialist democracy begins simultaneously with the beginning of the destruction of class rule...” --it is indistinguishable from that destruction.

Can such a democratic socialist movement develop in China? Some conditions are favorable to it. There is already, even under conditions of growth of the economy, a burgeoning strike moment, still localized in scope, that operates outside the limits of government and party organizations. If economic growth is halted by export contraction, with tens of million of works suddenly unemployed, unable to retreat back to a countryside that already under pressure, the conditions will exist for mass strikes that, in the age of the Internet, could spread rapidly. As in every other country, this also will depend on the state of the workers movement globally.

But for such mass strikes to win more than episodic concessions, the activists within that movement must come to a conception of a goal that of democratic socialist control over the economy. This means coming to a collective understanding of how dictatorship, not social ownership, made inevitable the catastrophic errors of the CCP and its degeneration back to a capitalist party, and how democratic social control and ownership of the economy can lead China forward. The free and open discussion and struggle needed to draw such conclusions, to formulate them into concrete demands, to forge links among activists in different parts of China is of course difficult with the pervasive censorship of the government. It is, however, essential.

Note on sources:

Data on production of coal, steel, motor vehicles and tractors come from the China Statistical Yearbook. Chinese statistics are generally considered fairly reliable for physical output. The same source was used for grain production, land under cultivation, total population life expectancy and infant mortality.

However, the monetary value of the domestic manufacturing sector is widely considered to be greatly overstated in official Chinese statistics relative to similarly priced good in global trade. This leads to an overstating of the Chinese GDP as well. We have therefore followed World Bank estimates of domestic Chinese manufacturing output.

Don't socialize the losses! Take the whole thing!

Socialize all of finance under democratic control!

Eric Lerner

After a year of gathering economic crisis, the financial panic that broke out in mid-September has made a new global depression, on the scale of the 1930's or worse, all but inevitable. For years, capitalists have inflated their profits with a series of speculative bubbles, where the values of assets—stocks or mortgages or commodities—soar on the expectation that they will soar. For years, a huge portion of capitalists' assets have been purely fictitious, based only on what other capitalists were willing to pay for them, not on any relationship to the real economy. The psychology that supported that fictional value broke last month, replaced with panic. Now, the entire financial sector is bankrupt, with fewer assets than debts.

Throwing their neoliberal, “free market” ideology of the last three decades overboard like so much ballast, the capitalists are relying on the governments that they profess to despise to save them. They intend to socialize the huge losses they have incurred, while continuing to privatize their past profits. The global bail out plans in the US and Europe give the losses to the workers, the profits to the shareholders. In buying minority shares in selected banks and guaranteeing their loans, the plans leave complete control in private hands, but the government assumes the risks.

The bail-out plans will not work to avoid a depression. If the various governments simply borrow the trillions that they give to the financial corporations, interest rates will soar. This will further depress housing prices, lead to major bankruptcies in manufacturing, and create huge new losses. The downward spiral will continue. If on the other hand, the government massively slashes the budget, cutting pensions and services, working class consumption will collapse, again feeding a downwards spiral of falling prices and new losses.

In previous crises, global capitalism was able to recover by opening up new markets,

like the emergence of the Chinese market during the past six years. Today this is not possible—there are no new Chinas out there. It is indeed this fundamental limitation of the market that is the underlying cause of the crisis. Capitalism now can only lead the world into a downward vortex of rising unemployment, collapsing wages and economic chaos.

But there is a workers' alternative. Instead of socializing losses governments must socialize the entire finance industry and place it under democratic control. Socialization is very different than the so-called “nationalizations” of today and that capitalist governments have done in the past. Socialization means, first of all, a state monopoly of finance—no private banks, no private insurers, no private pensions—only an enlarged Social Security system (or the equivalent in other countries.) Second, it means democratic control—with elected councils at all levels. A demand that a few weeks ago would have seemed leftist utopianism is now entirely reasonable and indeed the only practical solution. If ALL the financial institutions—banks, insurance companies, saving and loans, pension funds—become state property, their worthless loans to each other can be wiped off the books as the mere paper that they are. As the sole holders of individual homeowner's mortgages, the government-owned financial corporation can slash interest rates on the mortgages, instantly putting billions of dollars in working-class pockets. It can reorient financial investments toward the huge infrastructural and industrial projects needed in the United States, and indeed in every country, creating millions of new jobs. It can wipe out the crippling international debt owned by developing countries that has sucked wealth from billions of people for decades.

Of course, this socialization would be without any compensation to existing shareholders. The more than trillion dollars in losses already incurred have, even by capitalist reckoning, wiped out all

shareholder's equity. The financial intuitions are bankrupt and the shareholders, who profited in creating the crisis, hardly deserve a gift from the government, which is what the current bail-out schemes provide them

This solution is equally valid in every country. Such socialized financial institutions, cooperating with each other globally, (and eventually merging into a global socialized system) would have to be controlled democratically by freely elected boards at the local, regional and national level. Democratic control is the only way to prevent the money simply flowing back into private hands and insuring that money is directed to human needs.

This socialization is not by itself a solution to the crisis, but it is a large part. To stop the depression, working class incomes must be increased. Immigrants, in particular must be allowed the rights to organize and raise their wages and must be

given the legalization needed to protect them for employer abuse. Public services like education and health must be expanded. Clearly, after this sudden appearance of trillions of dollars, no one can rationally argue that the United States cannot afford universal single-payer health insurance and universal free university education or to rebuild its cities. There must be a huge public works program to rebuild housing, schools and infrastructure everywhere.

Only a vast mass movement could possibly win the socialization of finance, for the capitalists will fight it tooth and nail. After all, the financial corporations own or control most of the other corporations. Socialization of finance under democratic control poses the

real question of which class is to run society. It would only take place as a transitional step in a revolutionary struggle to put control of society in the hands of all workers. But with millions soon facing the loss of jobs and houses, with no alternatives, a mass movement is possible. Already, an intense wave of anger is rolling over the US working class in opposition to the government bailout and Congressional offices were deluged with messages running 99% against the plan.

All of us will not immediately agree on the same solution. But the first step is to call organizing meetings of immigrant rights, anti-war, labor and other groups to work out a common Workers Recovery Plan to the economic crisis. Many left organizations are

already putting forward their own differing ideas, so activists may welcome the chance to formulate a common approach to a common solution. As support for such solutions emerges, as we think it can, then mass actions, mass organizing and eventually mass strikes will follow.



THE EUROPEAN UNION DIRECTIVES: A SYSTEMATIC ATTACK ON THE WORKING CLASS

Paco Fernández

In the past year the European Union has been developing what we consider to be a systematic attack against the working class. In a range of fields, the EU has approved directives that oppose our class interests and only favor capital. They are aimed at the privatization of services (the Bolkenstein Directive); privatization of higher education (The Plan Bologna), the Return plan aimed against immigrants; and most recently the directive extending work hours (the 65-hour directive). We must understand that these directives are closely linked. That is vital not only at the theoretical level, but even more for the practical process of struggle. Because all do them are based on the same economic, political and social model the neoliberal model that guarantees the interests of big capital basically the multinational corporations. That is why the struggle must be against the system as a whole.

All these measures are in the context of the economic crisis in which we are immersed. For several years leftists have been speaking about this crisis, studying its causes, development and consequences. Why should we think that the leaders of the EU (and of the rest of the world) did not know anything about this crisis, that they did not know that it was going to take place? In contrast to what these leaders have said to us, it was also clear to them, and to the economic powers for which they work, that the crisis would take place and would have the enormous magnitude that is now being revealed day by day. That is why they have taken several years to prepare their laws, preparing the legislative path to protect their own interests. This does not mean that there is a fixed “plan” made up completely in advance, but simply that capital adopts the measures that it can, according to its interests, within the logic and possibilities of the system, possibilities which are in no small measure determined by the resistance of the oppressed.

The European Union context

The institutions of the European Union present an added problem for the citizens: their obscurantism. The majority of the inhabitants of the EU do not have any clear idea of what these institutions do and decide, and how the decisions that are taken that affect all of us. The national governments add to the confusion, often hiding them behind the EU to justify their political decisions. “We have to obey the EU decisions”, they say to us. What they don’t say to us is that actually the big decisions are taken by the same governments, when they meet, and that these governments are those who designate the leaders of the Union, and that the same parties that run the governments are represented in the EU parliament.

The European Union is not governed by a Constitution, since the undemocratic Constitutional Treaty, created by a small group of “big names” was rejected by mass resistance and defeated by referendums in France and Holland. The latest attempt at a governing document, the Agreement of Lisbon is in limbo, after its defeat in the Irish referendum. So EU directives emerge from discussions of government ministers, allowing little or no input from the population.

Within this undemocratic framework, three broad trends already exist, which the new directives build on.

--Relocation of industries, both within the EU and moving from the EU to other areas. EU policies encourage this movement of industries to regions where wages are lowest and the exploitation of the work force is the greatest.

--Privatization of all manufacturing companies that were once government-owned. In many countries this process, started years ago, is practically completed. Where it is not, it continues to move ahead.

--Restructuring of agriculture (Common

agricultural Policy or CAP) to concentrate ownership of land into the hands of the multinationals. This has been an attack on the medium and small peasants, and a sharp turn from earlier policies that had preserved small landholdings.

The current directives must thus be considered not only for what they explicitly set, but for the tendencies that they indicate. For although the directives can only be applied by legislation of the member state governments, in fact they have had the effect of laying out the path for these governments to follow, creating a “race to the bottom” in applying them.

The Bolkenstein directive: a different way to relocate

The Bolkenstein directive was the first of the new wave of directives, adopted at the end of 2006 and just now being implemented by member states. It deregulated the service sector in the EU. The stated goal is to increase the flow of services among the EU states, improving the quantity and quality of the services offered. But the reality is very different. Services represent most of the GDP in the EU and are thus an extremely important field for the expansion of the major corporations. So their privatization is of supreme importance to these companies. At the same time services provide things that all citizens need such as health and education. The directive thus coincides with the global tendency towards privatization of all services, a goal pushed at the last meeting of the World Trade Organization.

The core of the directives is to allow services to be offered in any country by companies located in any other country. But the regulation governing the service offered

are those of the country (country of origin) where the company headquarters are located. So if a Polish plumber works in France for a Polish company, his pension and health insurance are governed by Poland's laws, not France's. What this means is a leveling downwards of working conditions and all other standards in all services. The companies that will be most “competitive” will be from countries where the legislation is most favorable to capitalist interests. And, necessarily, other nations will be “forced” to reduce their legislation on pensions, health insurance, unemployment insurance, and so on, to be able to “compete”. In the current

economic crisis, this competition will be intensified. So what results is another type of relocation but in services that cannot actually be shipped elsewhere. Instead the “country of origin” rule allows lower labor standards to migrate anywhere.

What is especially worrying is that the Bolkenstein directive is scarcely known even within Europe. Only at the time it was approved did it appear in the mass media because of the largely symbolic protests that it produced. It is true that trade unions, social groups and leftist political organizations

attacked the directive while it was being considered, but the struggle ebbed once it was approved. We will see what happens when its effect begins to be felt this year. Considering the earlier moves on industrial relocations, privatization and agricultural “reforms”, with Bolkenstein, the circle is closed and the attack now includes all fields of production and distribution of goods and services. This means that all Europeans, both as workers and as consumers will be affected.



Plan Bologna: the privatizing of the University

The Plan Bologna tries, in straightforward terms, to privatize the university system, which in Europe is almost entirely public. By various routes, it puts the universities in the hands of the big companies, liquidating university 'autonomy' and introducing profitability criteria in all sphere of university life from research to curricula. It will also prevent many young working people from having access to the universities due to an increase in course fees, less opportunities to combine work with study, the replacements of grants by loans and the necessity to take costly graduate studies for masters and higher degrees.

The Plan Bologna was first adopted by the EU countries back in 1999, but since it set goals to be achieved by 2010, it has only recently been widely implemented. One of the key changes it makes is to require Masters Degrees for most fields of specialization, like the US system. Since undergraduate education is mostly free in Europe, requiring professionals to get masters degrees, which are not free, seriously restricts education. Second, it radically increases the required number of hours of study for undergraduates, which make it difficult for working class students to work to support themselves while at school. Third, it cuts public financing for universities, forcing them to increasingly turn to financing and control by private companies.

There have been important student and faculty mobilizations against the Plan Bologna. But they have not yet achieved the level of coordination that is desirable. The student movement is particularly unstable and unforeseeable, but it has given many

recent example of its combativeness in recent history. And, although they are still not sufficiently integrated their struggle with other struggles, university students today have a real consciousness of belonging to the exploited, wage-earning class. Despite what his ruling class ideologues say of them, they also have a real consciousness of global problems that they are facing.

The directive of shame: Terrorism and slavery

The "return" directive on immigrants, the most recent directive actually adopted by the EU (in June of this year) is a mechanism to guarantee cheap labor. It would allow immigrant detainees to be held up to 18 months and would ban those deported from re-entering Europe for five years. As with immigration laws in the United States, it aims in creating terror among undocumented immigrants, so that they will be afraid to demand decent wages and working conditions, and will be willing to work for practically anything. The directive is a way to generate fierce competition between immigrants and citizens with full rights in the workplace. In the context of the global crisis, such a competition would be for survival.

Famine and hardship, the harsh conditions of life always generate migrations. It is only logical and in accord with human nature to seek a better life. The more capitalist exploitation increases, the more migration there will be. To try to regulate, control or even prohibit such migration is not only rotten but impossible. Nothing can stop millions of migrants.

The leaders and big capitalists know perfectly well that mass migrations will not



stop in fact they rely on this migration. Why then promote expulsion and detention of immigrants? The real aim is not stopping migration, but to terrify the immigrant population so they will submit to capitalist's exploitation. The aim is to reduce them to state of semi-slavery.

This affects not just those who are undocumented. In many cases, having papers depends on having work. Who will risk losing a job that allows them to have papers if the alternative is detention and expulsion? Who will risk being imprisoned without charge or judgment for 18 months? Who wants to experience Europe's "Guantanamos"?

But despite the repression heavy in a few states and existing in all already there have been struggles by the undocumented. In some cases there have been successes, albeit partial, and they have been supported by citizen groups. This effective solidarity is the dynamic that we must increase.

But to do this it is essential to prevent the struggle for immigrant rights from being isolated from other struggles. It is only necessary to see the multiple condemnations and manifestos against the "directive of shame" to get an idea of the problem: the majority condemn the EU for humanitarian and moral reasons. The EU is accused of xenophobia and racism. And that is true. The manifestos also use moral and historical arguments about Europe's history of colonization and the misery of Africa, South America and Asia, which the EU countries were responsible for. These arguments also are true and just, but if the struggle remains limited to them, it will be difficult to advance the unification of all workers (immigrants and citizens) against the system. Only the comprehension that immigrants and citizens are equal in

exploitation can build the unity of the class and prevent the ruling class from turning the immigrants into a scapegoat for all problems.

It is necessary to be very clear, especially in the context of this economic crisis, that immigrants are not the enemies of native-born European workers. It is their condition of illegality, not their presence, which drives down wages and undermines the working conditions of all. It is that illegality, and the heavy repression that goes with it, that all, immigrant and citizen, must fight against. It is instead the capitalists who are our real enemies, and it is against them and the exploitation that oppresses us all, that we must fight.

65 hours: the Return to the 19th century



The 65-hours directive is probably the biggest attack on the conquests of the working class in the last 60 years.

The new directive allows countries to set the legal work limit as high as 65 hours. To be sure, it says that such extended work hours can only be "voluntarily" negotiated by individual workers, outside of collective agreements. It is, again, an invitation to state to race to the bottom, competing for industries by re-writing their hours of labor laws up to 65 hours. Linked to the relocations of industry and to the Bolkenstein directive, it is aimed at forcing its implementation in all corners of the EU through a simple mechanism "if you do not accept it, the company will relocate to where it will be accepted." By introducing "negotiations" between employers and individual workers, it destroys the mechanism of collective negotiation, introducing pure and simple individualism in the relations between employer and wage earner.

Opposition to this legislation is widespread and clear. But there is as little comprehension of what the directive really represents as with the Bolkenstein directive. This directive is the latest modification of earlier directives all tending to increase the working day and to individualize labor relations. Its replacement of collective bargain contracts (which in Europe cover far more workers than just union members) is the key. Cynically, the directive disguises this attack by stating that individual workers will only accept increase in the work week “voluntarily” and no reprisals can be taken against them if they refuse.

But all workers know that the threat of dismissal and unemployment will force us to say “yes” to increase the working day, if it is up to individuals. And we know that if every worker is negotiating hours as individuals, the few guarantees that collective bargaining has given will be gone and the solidarity among us will be destroyed.

If this directive is finally approved, as it is due to be in November, and implemented by the states, it will not be necessary to study in history books the plight of those slaving 12 hours a day or more. It will be our plight. We will have to sacrifice our family and social lives because there will be so little time after work. With fatigue will come more workplace accidents. With longer hours, fewer jobs will be needed, increasing unemployment on top of this crisis. And more unemployment will make it harder for individuals to refuse the demands for longer hours.

Uniting the struggles and going on the offensive for our survival

We believe that it is necessary to fight all the attacks simultaneously. They all pursue the same goal, to shift wealth from labor to capital and we must join in opposition to capital.

We cannot just resist these measures. Even if we defeat them, others will come. We must propose our own alternatives what we want. The struggles already exist a 35 hour week; the expansion of public services and defense against privatizations; a massive public works program; the equality of rights

for all, without distinction or dependence on miserable papers. These will be the guarantees that we will be able to combine work with family life, that we will have worthy and secure conditions of work. All this must become our joint program of immediate struggles

Alternatives are necessary. And only the struggle of the working people, of all the working people can achieve them. This struggle will not be only one day, one mobilization, and one strike. It will be process in which all the demands and all the groups come together. It will be a process of mass strike. In this process we also have to understand that victories, although they will take place, will not be permanent under capitalism. It is capitalism that is leading today to a real regression in our conditions of work and life. We have to understand that for the full achievement of our alternatives we need to go beyond capitalism, toward socialist and truly democratic societies.



In this world that we have been forced to live under, some are in positions to order others, while the rest are forced to obey. This, and nothing else, is the basis of power.



That is why we say in society we can't speak of equality because the will, the demands, of some is imposed on the rest.



We delegate our rights, our free will, to representatives that have the power, and as a result, they are the ones that rule.



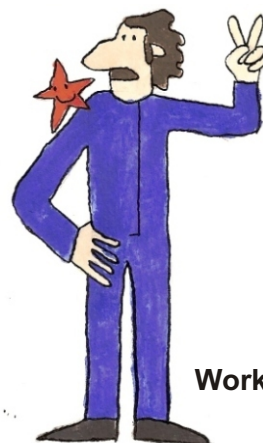
That's why we are not able to talk of democracy as active subjects, we cannot permit the luxury of delegating, of giving up, the exercising of our free will.



In our hands rests the possibility of ending this situation, it depends on ourselves to end the division of human beings in social classes.



Don't delegate, don't give up, your free will to anybody, to any party, to any union that proclaims to the four winds to defend your interests because, in reality, it is your strength, together with the rest of the people, which is the only force capable of changing things.



Workers of the World Unite!