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Scottish Unemployed Workers' Network

Two years on

The SUWN has just passed its second birthday, so it seems a good time to take a look at what has been happening over the last two years. When we started campaigning it seemed as though the high unemployment rates were only going to go up. That hasn't happened – but only because the pay, hours, and conditions of people in work have been hit instead. And for those people who are out of work, and for everyone who relies on benefits, basic survival has become a whole lot harder. This will be remembered as the period of the loan-sharks and food-banks; the period when the Red Cross had to help with nationwide food aid for the first time since the Second World War.

Two years ago, few would probably have predicted that the super-rich would have been able to emerge from the crash caused by their own reckless speculation with an even greater share of power and wealth. Or that the UK government would try and rebuild the economy by subsidising another housing bubble!

Osborne is looking smugger than ever as he plans further years of austerity and boasts about economic recovery. But the economy is still smaller than it was in 2008, and the current depression is expected to last almost twice as long as the great depression of the 1930s.

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a job is for life - not just for Christmas

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NEWSLETTER 13
November 2013

Sean Cudden, who blogs at <http://skintandangry.wordpress.com>, writes

BENEFIT FRAUD – THE NIGHTMARE RETURNS



It's that time of the year again. No wait! It's that time of the *week* again when all of society's problems are set aside because of the menace of – **BENEFIT FRAUD** Dum! Dum! Dum! The sky darkens, the wind picks up, a crow croaks in the distance and the dead stir in their graves.

So what's the moral panic about this time? Well Keir Starmer, Director of Public Prosecutions in England and Wales, has announced that benefit fraud, sorry – **BENEFIT FRAUD** Dum! Dum! Dum! the sky darkens, the wind picks up, a crow croaks in the distance and the dead stir in their graves (I'll just write BF from now on), can now be tried in crown courts. He decided to take a 'tough stance' and class BF alongside money laundering and bank fraud because 'Getting one over on the system is not a victimless crime' (bbc.co.uk). This is a move 'warmly welcomed' by the Prime Minister. Let's hope he, one day soon, warmly welcomes a 'tough stance' on millionaires and billionaires who don't pay their tax – and cost the UK £95 billion, compared to £2 billion from benefit fraud.

This latest move means that in England and Wales people convicted of bene... oops! BF, could be sentenced to up to 10

years in jail. In the past the maximum sentence was 7 years and anything under £20,000 carried a maximum 6 month sentence or 12 months for multiple offences. Now the £20,000 threshold has been removed. Owen Jones pointed out that the new rules mean that someone who had defrauded the benefit system of £10 could, in theory, end up doing more time than some murderers or rapists. As his interviewer on the BBC pointed out that is hardly likely to happen, but then as we all know, except perhaps that BBC interviewer, not all judges have a firm grip on reality, which is why there are sentencing rules and guidelines in the first place. For example, think about the woman who was given a pair of shorts looted in the 2011 riots and was sentenced to 5 months in prison.

But of course the sentencing of people guilty of BF is a side issue. It's not the point and they aren't the real targets. No, the real targets aren't fraudsters: the real targets are **all** benefit claimants. Consider the 2011 release by the government of a bizarre list of fraudulent claims for benefits, or stories in the press (ever eager to help the government in this project) about claims for £100,000s from drug dealing layabouts who have never worked a day in their lives.

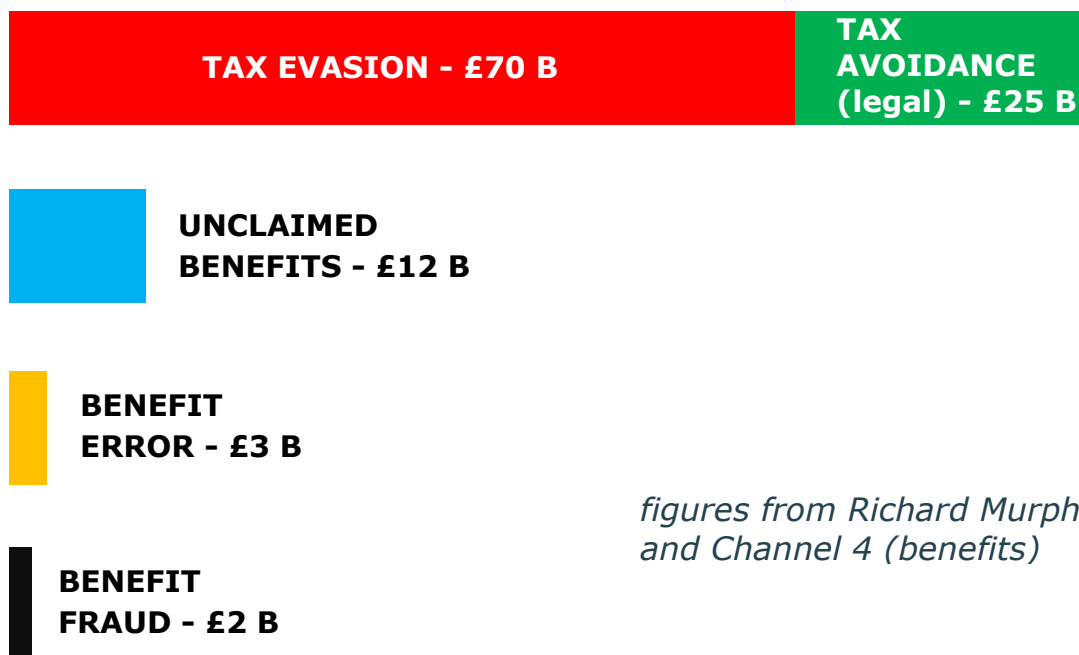
These stories are anomalous. They actually represent a few extreme cases where people who are often involved in other, frequently far more serious, crimes are also thieving from the benefits system. But that's not the impression given. No, you're not supposed to think that criminals are targeting the benefit system, you're supposed to think they're all at it. The idea is to make the term 'benefit claimant' interchangeable with 'criminal'. The sad truth is, it's a battle they seem to be winning. In a recent Ipsos Mori poll

respondents believed that around 27% of benefit claims were fraudulent when the real figure is just over 1/2 of 1%. In 2011 Richard Hawkes, the then Chief Executive of the charity Scope, warned that, 'The government really has to stop over-simplifying the debate on welfare and using unusual fraud cases to support changes [to the benefit system] which could have a serious and negative impact on the lives of hundreds of thousands of disabled people.' He was right - but of course that was the government's plan.

How do you attack the unemployed during a recession, cut their money and force them to work for nothing on workfare schemes (undermining the position of those in paid employment at the same time)? How do you force disabled, even dying, people to go through humiliating capability assessments? How do you introduce a policy as blatantly anti-working class as the Bedroom Tax, and all without popular outrage? By making sure that the rest of the population (and sadly even some individuals who are actually on benefits) have no sympathy with those being attacked. One way of doing

that is to create a narrative in which the unemployed are work shy, the disabled are putting it on, people in social housing are taking the rest of us for a ride, and - perhaps most importantly - by linking all benefit claimants with criminality. Oh! And of course if you want to deflect attention away from your rich mates pilfering billions from the treasury, BF makes a great distraction.

The worst thing about the benefit fraud - **BENEFIT FRAUD** Dum! Dum! Dum! the sky darkens, the wind picks up, a crow croaks in the distance and the dead stir in their graves (oops!) - the worst thing about the BF narrative is that in percentage terms BF is actually down. It was 0.8% of the benefits bill in 2010/11, now it's 0.7%. How do I know this? Because I looked at the government's own figures as published by the Office for National Statistics. Perhaps one day the government will read their own reports and the media will give some thought to how their sensationalising of serious issues like this can have dire consequences for people. In the meantime please remember BF is rare, so please don't have nightmares and do sleep well.



*figures from Richard Murphy (tax)
and Channel 4 (benefits)*

TWO YEARS ON - continued

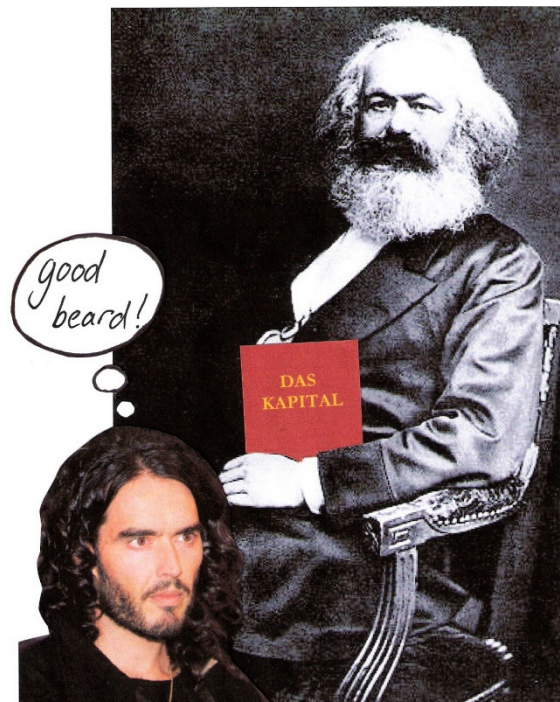
Eventual recovery was inevitable – people can't put off buying things for ever, and other countries with less austerity and better economies have money to spend in Britain (including investing in London's raging property market, which is pricing the poor out of the capital). So, the economy has grown very slightly; BUT, the vast majority of people are worse off. Quite a lot worse off. For most people, pay rises have been more than wiped out by inflation. Those with the least have been hit worst. Benefit cuts, combined with extra high inflation in basic food and energy, have sent many a precariously balanced budget over the edge, with disastrous human consequences. This is bad for the economy too. If most people don't have money to spend on goods and services, then businesses can't grow, and government also gets less tax revenue.

Grangemouth - where a billionaire held the country to ransom - and the galloping price rises being imposed by the private, profit-seeking energy companies both hammer home the case for public ownership; but none of our major political parties dare turn that far away from free-market economic orthodoxy. Nor have the politicians shown any wish to repeal Britain's exceptionally severe trade union legislation that forces the unions to defend workers with one arm tied behind their backs.

Meanwhile, the mass media still fails to question the need for austerity and cuts, and regurgitates government propaganda, complete with its scape-goating of anyone on benefits. Reporters blithely repeat the nonsense that a national economy is like a household budget, and we never see reported that the national debt as a proportion of GDP was actually historically low, and is still not considered excessive, even though it has risen considerably as a result of the government's austerity policies.

Two years ago, we might have predicted (as well as hoped for) a much stronger

co-ordinated resistance to the cuts and austerity. These amount, after all, to a concerted class-war being waged by a small elite against the working class, and also much of the middle class. We'd seen a revival of student protest, the huge TUC march in London, and the latent anger demonstrated in the London riots. We were still optimistic about the Arab Spring, the Indignados protests were strong in Spain, and the Occupy movement had just begun. But perhaps we underestimated the extent to which the ideas of the free-market economists had infiltrated our society and our media; how much their take-over of the Labour Party would paralyse the wider labour movement; how weak were our left organisations. This class war is careful to avoid set battles. It is a war of attrition, destroying lives and hopes a bit at a time, which makes it even harder to fight. However, people's understanding about what is happening is growing (- even among celebrities!) When we are out on the streets we are met with widespread support. Resistance is not an easy thing to organise, but when it comes it will be fortified by real anger.



Russell Brand understands the need for revolution.