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NEWSLETTER 5

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Scottish Unemployed Workers' Network

Educate Agitate Organise!

Our 5th newsletter brings together background discussion and agitational song.

While the impacts of the EU's neoliberal economic policies have become front-page news, there is generally little understanding of how this bosses' Europe has been built into legislation. We take a frightening look at how a series of dry-sounding treaties is affecting us all. And, with the government continuing its divide and rule tactics of trying to set employed workers against unemployed, we look at how the real culprit, mass unemployment, impacts those still in work.

The song and poem speak for themselves.

As for organisation, we hope that this newsletter, along with our website and Facebook group, can play its part in building the growing campaigns against workfare and austerity economics. It is good to see the Facebook group being used to advertise events as well as for sharing articles and discussion, and we also list events on our diary page. But this is only the beginning...



*mirror mirror on the wall
who's the nastiest of them all?*

Please find us on

www.scottishunemployedworkers.net

(where you can also link to our Facebook Group)

and contact us on

admin@scottishunemployedworkers.net

John Foster of the *Scottish Campaign against Euro-Federalism* looks at

UNEMPLOYMENT, THE CUTS AND THE EU

Brussels and the European Union may seem far removed from the British government's attack on public services, employment and welfare benefits.

But there is a link, a very close one, and to understand it we have to go back to the Single European Act of 1986 and the Maastricht Treaty of 1992. These two pieces of legislation were at least in part drafted by the British Conservative governments of the time and laid out legally binding requirements for the achievement of economic union in Europe. These were entirely neo-liberal in their assumptions: they required the free movement of capital, labour, commodities and service provision across the EU and an end to all state intervention that might hinder such movement.

Such 'freedom' might sound a good thing. But for working people it is not. It means cutting away all the securities that have been won over the past century to prevent a return to a 'law of the jungle' labour market allowing employers to impose unbridled levels of exploitation.

Successive pieces of legislation have resulted, each one worse than its predecessor. The first was the Stability and Growth Pact of 1992. This limited the amount a government could borrow in one year to 3 per cent of its overall output – so that when an economy went into recession a government could not borrow to stimulate the economy through investment. Instead unemployment became the regulator: higher unemployment would force down wages and give employers the profit incentive for renewed investment.

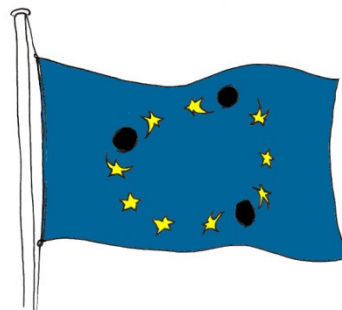
Through the 1990s there were a series of directives that did away with public ownership of utilities and industries. Governments were required to break up state 'monopolies' and introduce competition to railways, road transport, gas, electricity, telecommunications and postal services.

Then the pace quickened. The Lisbon programme of 2000 required governments to introduce National Reform Programmes (Britain's can be read on the Treasury website) which reported annually on steps taken to create a 'competitive' flexible labour market – targeting particularly benefit levels

('disincentives to work'), pension levels and retirement ages ('early exit from employment' in EU jargon). The updated Lisbon Programme of 2005 tightened requirements further and the Services Directive of 2007 sought to open all services to privatisation and to enhance cross-border labour mobility.

The big push came with the financial crisis. Debtor states were obliged to cut wages (in some cases by up to 25 per cent), reduce pensions and slash welfare payments. New regulations on Economic Governance were introduced in 2011 that oblige governments to take active steps to end employment contracts and collective bargaining agreements that prevent labour market flexibility. In March 2012 the Stability, Coordination and Governance Treaty was signed. This cuts government borrowing right down to 0.5 per cent of output (the same month that EU unemployment rose above 24 million) and demands that national debt be reduced by the equivalent of 3 to 4 per cent of national output a year. This will mean permanent austerity across Europe.

It is for these reasons that the Scottish Trade Union Congress this year supported a renegotiation of Britain's relationship to the EU to take us outside the regulations of the Single European Act. It is also why the voters of France and Greece have so resoundingly rejected governments associated with these policies. You can find out more on these issues from the websites of the Campaign against Euro-Federalism (www.scaef.org) or Trade Unionists against the EU Constitution (www.tuaeuc.org).



FREEMARKET EUROPE:

'Black holes of stellar mass are expected to form when very massive stars collapse at the end of their life cycle. After a black hole has formed it can continue to grow by absorbing mass from its surroundings.' (Wikipedia)

Sarah Glynn looks at

HOW HIGH UNEMPLOYMENT AFFECTS ALL WORKERS

High unemployment doesn't just affect people who are out of work. It can make life much harder for those with jobs too. It is well known that when there are plenty of people desperate for work (Marx called them the reserve army of labour), it is much harder for workers to hold their bosses to account. That is especially true in Britain where workers have less legal protection than somewhere like Germany. In a recession, just when workers are most under attack, they are least able to defend themselves. A great many people feel that any form of protest about their pay or conditions or even the way they are treated at work is not worth the risk of losing their job. And employers know this. Individual workers have to contend with all manner of new requirements and restrictions, such as unpredictable work-shifts and limits on time off when ill, in the knowledge that if they don't jump to the employer's tune, this may be used as an excuse for dismissal. The mental stress that this causes can make it more likely that they will lose their jobs.

Sometimes, employers will argue that they have no choice – that if their employees don't accept reductions in their wages then their business will go bust and there will be no jobs at all. Workers are told that if they don't accept reductions in pay or hours they will put their fellow employees out of work. But somehow the bosses rarely put themselves under similar privations. Even if they are taking home less money than in the past, they don't expect to share the poverty wages of some of their employees. In some cases, people are being expected to work for months with only the promise of future pay when their employer's finances improve.

Shortage of work has also meant that full-time posts are being increasingly replaced by part-time, which, along with low wages, is leading to a big expansion in in-work poverty. (Most benefit recipients are in work.) The immediate impacts of the cut in hours are compounded when this takes the worker below the minimum number of hours needed to qualify for Working Tax Credit. To make things worse, workfare schemes and other forms of 'voluntary' work experience carried out by unemployed workers trying to

improve their 'employability' can often displace paid jobs, or at least opportunities for paid overtime.

For workers as a whole, these are periods when gains made in better times are clawed back in the knowledge that workers will find it difficult to protest and don't have the option of leaving and going elsewhere; periods when it is hard for trade unions to organise resistance to anything except the worst attacks. Employers know they can keep wages low and insist on conditions and practices that would not have been accepted in other circumstances. And governments that act in the interests of business owners and financiers can get rid of workers' rights and protections in the knowledge that it is hard for workers to resist. Instead of protecting minimum standards, governments compete in a race to the bottom, claiming that this is necessary to outbid the most low-paid nations. A generation of young workers is growing up to see this lack of rights as normal.

High levels of unemployment affect all workers, and we need to fight together for policies that aim for full employment with decent wages and conditions. The enemy is not the unemployed but unemployment, and the systems that encourage it.



Employed and unemployed workers together on Dundee's May Day march

RHYMES FOR OUR TIMES

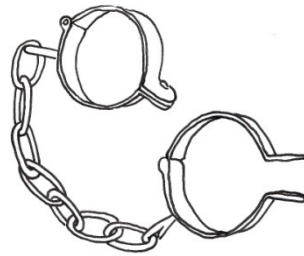
Oh Freedom

Sean Cumming of *Right to Work* has updated an African American freedom song by Lucy Kinchen (you can find the tune on YouTube)

Oh freedom, oh freedom, oh freedom over me
 And before I'd be a slave I'll be buried in my grave
 I won't line fat cats pockets for free
 No more dole queues, no more dole queues, no more dole queues for you and me
 To work and be fulfilled, in a peaceful, loving world
 Where the weakest do not beg on bended knee
 No more workfare, no more workfare, no more workfare over me
 I'll never slog for free they'll never have a piece of me
 I won't give away my pride or dignity

Oh freedom, oh freedom, oh freedom over me
 And before I'd be a slave I'll be buried in my grave
 I won't line fat cats pockets for free
 No more poverty, no more poverty, no more poverty over me
 Before I'd be a slave I'll be buried in my grave
 I won't line fat cats pockets for free
 No more sweeping, no more cleaning, no more scrubbing for free
 Before I'd be a slave I'll be buried in my grave
 They'll never have a piece of me

Oh freedom Oh freedom oh freedom over me
 And before I'd be a slave I'll be buried in my grave
 I won't line fat cats pockets for free



On thi broo in Dundee

By GS

Eh'm on thi broo thi noo.
 Thir's *nae* jobs t' pursue.
 Eh need tae – eat
 (expletive delete)
 Eh need tae live same's you

Wurk fur meh broo? Hey you?
 Is that yir point of view?
 Withoot a fight?
 Aye, that'll be right!
 Wha else you gaen t' screw?

Eh'm on the broo, that's true.
 But if thir's wurk come through,
 then pey a wage,
 Eh'm nae b'dy's slave.
 Eh want a job same's you.

Eh've a right tae the broo; s'meh due.
 An it's tight enough, that's true.
 But U'll hiv a ba',
 an ciggies an a'.
 U'll no be tellt whut's t'boo

Taste life on the broo - an chew:
 when the benefit cheque's overdue,
 the gas bill jist grew,
 thir's holes in yir shoe
 Cos the next een oot'll be you!

