

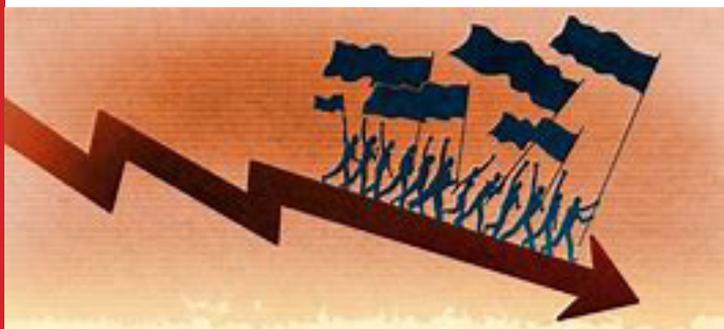
Journal of the
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Summer/Autumn 2019

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14

Behind capitalism's trade wars:

The Drums of War?



Class Struggle in China

**1919 Platform of the Communist
International**

**Review of Fred Moseley's
Money and Totality**

**Gramsci:
Between Marxism and Idealism**

Welcome to Klasbatalo

Revolutionary Perspectives

Magazine of the Communist Workers' Organisation

Affiliate of the Internationalist Communist Tendency

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The Drums of War?

The Epoch of Imperialism

In his 1909 best-seller, *Europe's Optical Illusion*, the British writer, Norman Angell maintained that war between advanced modern economies wouldn't happen because it was now irrational. He pointed to the growth in the inter-connectedness of world trade and just how ruinous war would be to this. Alas for him, such rationality has never been a hallmark of a system based on capitalist competition spurred on by the tendency for the rate of profit to fall. He seems not to have noticed the tariff wars and attempts by one Great Power after another to exclude others from sources of raw materials and markets that were also going on.

For example, in its attempts to control its one-time lackey Serbia, Austria-Hungary imposed an embargo on Serbia's pork exports in 1906. In two years the Pig War, as it was known, led the Serbs to seek a new imperialist overlord by obtaining French finance to build processing plants to export elsewhere. Austria-Hungary called off the "Pig War" in 1908 but took its revenge by annexing Bosnia (over which it already had control), a territory which contained many Serbs. This only further cemented Serbia as a client of the Entente powers (France, Russia and Great Britain). We might never have noted the Pig War at all if it were not for the fact that in 1914 the Austro-Hungarian government, worried about Serbia's victory in two Balkan Wars, decided to further threaten Serbia militarily by organising army manoeuvres in Bosnia. These were to be reviewed by the heir-apparent to the Habsburg throne, Franz Ferdinand, and waiting for him were Serbian conspirators backed by Serbian intelligence. Gloriously incompetent though they were, one of them, Gavrilo Princip managed to assassinate the Archduke and within a month the world was engulfed in its first global imperialist war. The "irrational" happened.

This heralded a new epoch of capitalism, the epoch of imperialism and generalised war. Wars that were no longer about minor adjustments of territory between monarchs but with the far more devastating aim of the destruction of the capital value of the enemy. Capitalist historians call this "total war" as it is visited on entire populations (and not just those unlucky enough to be caught in the path of an army). These are wars to the death, and their particular viciousness and genocidal barbarism is peculiar to the epoch of capitalist imperialism.

The Norman Angells of today of course can point to 73 years of "peace" since

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1945. These are the same people who maintained that the post-war boom (itself predicated on the slaughter and devastation of war) meant that capitalism had finally banished the recurrent crises which had dogged it since its inception. That illusion came to an end in the 1970s and “peace” here is only a relative term. Since 1945 the world has seen a series of imperialist proxy wars from Korea and Vietnam to the Congo, Afghanistan, the Iran-Iraq War and Syria, just to mention the most significant. However, it is true that there has been as yet no generalised war like that of 1939-45. Many commentators doubt that it will ever happen again. The destruction of those years was so barbaric, they argue, that no-one would want to plunge the world into catastrophe, and then again, the prevalence of nuclear weapons make such a war unthinkable.

Apart from sounding like wishful thinking, since what is going on today in Syria (poison gas, barrel bombs) or Yemen (systematic targeting of schools and hospitals) is as bad as anything that non-combatants experienced in the Second World War, it is also based on a false premise. The fact that no major imperialist war between the strongest powers on the planet has yet broken out is not primarily because of nuclear weapons but because the last world war ended in “Pax Americana”. Despite the illusions of many at the time¹ there was only one real winner of the Second World War – the United States.

Pax Americana

Largely unscathed by a war which had transformed the US economy into the most productive in world history, it was the US which dominated the post-war agenda. All the institutions of the new world order (IMF, World Bank GATT (later WTO), UNO etc) were established along American lines, and no amendments were to be accepted even from close wartime allies, as Keynes soon discovered when he tried to propose an international currency to replace “the gold standard”. The new gold standard was to be the dollar and this was fixed at Bretton Woods.

This persisted even when the post-war boom ended and the US was forced to abandon the dollar’s peg to gold. On the global stage the Nixon government went to great lengths to ensure that other Western economies revalued their currencies so as not to harm the dollar.² But the gold standard was to become an oil standard. Tom Stevenson’s review of David Wearing’s book *AngloArabia* tells us what happened next.

*Until 1971 the Gulf states pegged their currencies to sterling, which competed with the dollar as an international reserve currency. After the loss of its Gulf protectorates, Britain had to concede to the global hegemony of the dollar. ... in 1974, the US Treasury secretary, William Simon, secretly travelled to Saudi Arabia to secure an agreement that remains to this day the foundation of the dollar’s global dominance. As David Spiro has documented in *The Hidden Hand of American Hegemony* (1999), the US made its guarantees of Saudi and Arab*

Gulf security conditional on the use of oil sales to shore up the dollar. Under Simon's deal, Saudi Arabia agreed to buy massive tranches of US Treasury bonds in secret off-market transactions. In addition, the US compelled Saudi Arabia and the other OPEC countries to set oil prices in dollars, and for many years Gulf oil shipments could be paid for only in dollars. A de facto oil standard replaced gold, assuring the dollar's value and pre-eminence.³

Maintaining dollar hegemony also had military consequences. Plenty of places around the world have oil (Venezuela's reserves are said to be larger than those of Saudi Arabia) but the oil from the Middle East is not only easy to extract, it is cheap to refine. Back in 1945 it was the main source of oil for most states and the US recognised this. President Roosevelt dashed from Yalta to meet King Abdul Aziz in 1945 and set up a new strategic partnership.

In 1945, Gordon Merriam, the head of the State Department's Near Eastern Affairs division, made this clear: the Saudi oilfields, he said, were first and foremost 'a stupendous source of strategic power'. The assistant secretary of state, Adolf Berle, sketched out what remains US strategy: the US and Britain would provide Saudi Arabia and other key Gulf monarchies with 'sufficient military supplies to preserve internal security' and ensure that they were permanently guarded by Western navies.⁴

Over the decades this strategic significance has not diminished especially as today most Middle East oil and natural gas goes to the industrial and industrialising countries of Asia (headed by China, India, Japan and Korea). Anyone who controls Middle East oil has major strategic stranglehold on Asia.

In this context, since 1945 the US has replaced the UK as the policeman of the Middle East and the Gulf. Not only is the Fifth Fleet based in Bahrain to patrol the Gulf but United States Central Command has the largest airforce base in the world in Qatar (a fact which seemed to escape Trump when he went along with Saudi sanctions against Qatar in 2017!). The US also has five thousand troops, two naval bases and an airbase in the United Arab Emirates as well as 4 other bases in Kuwait whilst it still has troops stationed in Iraq at al-Asad airbase.

The one country in the region where the US has no base (at least since 1979) is Iran. As a direct counterweight the US has four airbases and two naval bases right across the Straits of Hormuz in Oman.

The Stakes in the Middle East

The recent escalation in the confrontation with Iran is however predicated on a wider US fear – that its global military and economic dominance is under threat. In previous issues of *Revolutionary Perspectives*⁵ we have already analysed the rise of China and the ambitions its ruling class has to become the world's leading power

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by the middle of this century. Currently China is no threat to US military hegemony in the immediate term and its currency, which is only partially convertible, is not a threat to the dollar's dominance. However China's rapid economic rise, the fact that the economy is still in some aspects closed to US penetration, and its form of state capitalism, give it certain strategic advantages not open to the US. This is enough to spur various US think tanks (mostly, though not all, linked to the Republican Party) to warn of the "threat from China" especially given its increasingly advanced cyber-technology. What is at work here is the same fear factor which in 1914 led the various powers into alliances and then war against the state or states they feared the most. The imperialist imperative drives states to make these calculations sometimes just to deprive their rivals of a resource (as in the "Scramble for Africa" in the 1880s) or to make a preventive strike before rivals gain military preponderance (as the German General Staff feared in 1914).

This same fear has unleashed Trump's trade war (and not just against China but also erstwhile "allies") to "Make America Great Again". Using the dollar's continuing supremacy the Trump administration believes (with some justice up to now) that it can bully the entire world into bowing to US pressure through sanctions. Past US regimes also used sanctions extensively but sanction designations have tripled since 2015. This has caused a backlash but efforts by various states, led by Russia, to gradually replace the dollar as either a store of value, medium of exchange or unit of account have so far hardly made a dent in the dollar's dominance.⁶

In the Middle East Iran is the one state which has managed to thwart US hegemony. With its Shia Islamic imperialist ideology and its stated refusal to recognise the state of Israel, the other US ally in the region, it has been the main adversary since 1979. US humiliation by the seizure of its Embassy staff in Tehran when the ex-Shah of Iran was allowed to enter the US for medical treatment has remained seared in US policy towards the country.

Perversely US policy has largely only contributed to increase the power and influence of the Iranian bourgeoisie in the region. Ever condemned as part of an "axis of evil" by past US regimes, the Iranians did offer to assist the US in the wake of 9/11 (which was mainly carried out by Salafists from Saudi Arabia) but this was rebuffed by the Bush Administration.

The US had incited Saddam Hussein to attack Iran in 1980 which led to a decade long war where at least a million were killed. Throughout it Saddam used poison gas against Iranian conscripts (and the Kurds) with hardly a word of criticism in the West. But when Saddam misread the runes, and tried to compensate for his failure against Iran by annexing Kuwait, the US was obliged to slap down their former ally. However they did not remove him from power in the first Gulf War since that would only have created a power vacuum in Iraq. It was only when Saddam tried to undermine the dollar by selling in other currencies that the fake story about

his possession of weapons of mass destruction was concocted to overthrow him. Significantly the same fate later befell Gaddafi when he too tried to undermine the dollar's supremacy as the currency of world trade in oil. However the fall of Saddam not only gave birth to IS⁷ it also gave power to the politicians and wheeler-dealers of the majority Shia Muslims in Iraq, who were later to enjoy the support they got from Iran. From there, the Iranian Revolutionary Guards and the Shia militia in Iraq were able to launch a counter-offensive against the Daesh/IS forces which took them into Syria, and support for the Assad regime. Iran's fertile military crescent has taken them to the borders of Lebanon where they can link up with their protégés of Hezbollah and thus threaten the other "great Satan", Israel.

Such success has not only alarmed Israel and panicked the Saudi regime it has also led the US to unilaterally pull out of the Joint Comprehensive Plan of Action (JCPOA) by which Iran would abandon its nuclear ambitions in return for an easing of sanctions. This could be the biggest blunder of the Trump Administration. The JCPOA was hated by Republicans as a piece of Obama appeasement but the fact is that it had stopped the Iranian nuclear programme without Iran getting much out of it, since the lifting of UN sanctions might have formally taken place but the US itself maintained its own sanctions related to ballistic missiles, conventional weapons, human rights and support for terrorism. As a consequence European and US firms are too worried about the possible repercussions if they did invest in Iran. The aim is of course to put "maximum pressure" on the Iranian regime.

In Iran the failure of the accord to benefit the economy has brought the split in its ruling elite to a head. President Rouhani and the Foreign Minister Javad Zarif who had brokered the deal are now under attack from the hardliners in the Revolutionary Guard leadership for the failure of the JCPOA to bring the promised results. The Revolutionary Guards have long argued that no deal is possible with the USA in any circumstances, and they now appear to have the backing of the Supreme Leader Ayatollah Khamenei. When Rouhani and Zarif deny all knowledge of the recent attacks on shipping in the Gulf of Oman,⁸ they are probably telling the truth, but that does not rule out the distinct possibility that the Revolutionary Guards are laying down their own "red lines" to let the US know that there will be no capitulation by Iran (as the 12 preconditions for negotiation outlined by US Secretary of State, Pompeo, demand). Instead Iran is putting pressure on the Europeans to break US sanctions and honour their obligations under the JCPOA. To this end they have announced that they will begin enriching uranium beyond the levels in the agreement but still not high enough to be used in anything but electricity generation. The Europeans for their part have announced Instex, "a non-dollar financial initiative" to aid Iran. However it will not help Iran sell its oil given US threats against any company which cooperates with it. In short, the situation is one of impasse. Both the US and Iran declare that they are not aiming at war but then that can also be part of war preparations since the best way to mobilise for war is to get "your side" to believe that they are the victims of

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aggression.

The current situation is not too different from that of US-Japanese relations between 1937 (when the Japanese Imperial Army invaded China) and 1941 (Pearl Harbor). In 1937 Roosevelt imposed an embargo on oil to Japan to cripple its war machine. As the screws tightened the Japanese military came up with the desperate plan to disable the US Pacific Fleet thus allowing them to sweep through Asia and take the oil of the then Dutch East Indies (now Indonesia). Today the embargo on Iran is the other way around – the US is threatening any power who buys Iranian oil with sanctions and Iran looks increasingly to be running out of room for manoeuvre. They have abandoned hope that the Europeans will challenge the US over its breaking of the nuclear agreement. This is why they have responded to US threats by stepping up uranium enrichment, but it is a dangerous game.

The main difference with 1941 is that Iran is a regional imperialist power and not vying for world domination with the US. However, in an ominous development, the Chinese state, which has made no secret of its future ambitions, and already in the middle of a trade war with the US, has defiantly announced it will continue to purchase (no doubt at a bargain price!) Iranian oil.⁹ At the same time the sources of further conflict in the Middle East continue to multiply. In attempting to regain its control of the Middle East, which it lost through the Iraq war, the US has intervened in Syria in an extremely short-sighted and incompetent way; first by supporting the Islamist opposition and then the Kurds: both previously considered terrorist organisations. This has alienated its NATO ally Turkey to the point of driving it into a temporary alliance with Russian imperialism. The last has resulted in Turkey (a NATO member!) buying the Russian anti-aircraft S400 system against all the threats of the US. The chaos created in Syria has also allowed Russia to re-establish itself as an imperialist force in the region. The US sees knocking Iran out of the balance of power as the first step towards recovering its domination. Israel is, of course, assisting in this. It is constantly bombarding Iranian Revolutionary Guard positions in Syria (mainly around Homs) and there are signs that it is contemplating another incursion into Lebanon to curb the growing power of Hezbollah.

Yemen

And for a warning of the disastrous humanitarian consequences of war, we need look no further than the murderous campaign in Yemen. The population of Yemen are suffering indiscriminate bombing and famine as a result of a war which latest estimates put at close to 100,000 deaths.¹⁰ It is currently the world's worst humanitarian crisis. They are also the victims of the long standing pact between the US, UK and the Saudi government. The key element here is that, whilst the West guarded Saudi oil interests, the Saudis played their part in boosting Western

economies (mainly the US, but also Britain and France) by buying their weapons in vast quantities. And no agreement was more lucrative for the British than the 1980 al-Yamamah deal which basically contracts out the running much of the Saudi air defence capability to the UK's BAE. This has been expanded many times but most dramatically in 2015 when British military exports to Riyadh leapt from £83 million in the previous year to £2.9 billion. For decades the US has benefited from huge contracts for its planes and other weapons but the biggest of them all came in May 2017 when the Saudis signed up to a \$110 billion deal, with projected purchases of a further \$250 billion over the following years. Questions about the British and US role in actually running the Saudi war in Yemen are fobbed off by both governments but their direct complicity in the massacre in Yemen is beyond dispute.¹¹

And of course the justification is that the Houthis are rebels against a "legitimate" Saudi-backed government as well as being a proxy of Iran. It is a narrative which the Saudis and all their coalition allies repeat ad nauseam. In fact there is actually little evidence that Iran gave any direct support to the Houthis (who as Zaidis follow a different form of Shia Islam to Iran) until the war was over two years old. Now the Saudis have turned an internal conflict in Yemen into an inter-imperialist war with the aim of rolling back whatever influence Iran has gained in the region, and it feeds very well into the Trump Presidency's conflict with the Islamic regime there. Whilst the vast bulk of the dead and injured are due to the Saudi coalition's raids, the Houthis (or Ansar Allah, "supporters of God") for their part are not innocent of atrocities either. According to Human Rights Watch they have persecuted religious minorities, shelled civilian areas, used human shields and hostage taking as well as prevented the distribution of food aid to those who don't support them.

How Should Revolutionaries Respond?

All of which demonstrates that "anti-imperialism" is not about taking one side or another in these conflicts. We live in an imperialist epoch and all national capitals are obliged to fight for their existence within it. There are no "national" struggles that have progressive meaning today. Those popular front organisations like the "Stop the War Coalition", and others, who campaign under the slogan "Hands Off Iran" (sometimes "radically" inserting "the people of" into the title) are actually defending the same Iranian state which is locking up and torturing workers as we write. These were the teachers and factory workers who led a campaign against unpaid wages and runaway inflation, against the corruption of the Revolutionary Guards and the mullahs. They have even called for workers' councils to be set up as a first step in challenging state rule. We have analysed their struggles elsewhere¹², but the significance of them in this context is that they are showing the way forward for the rest of the world's working class. It is they and not their

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government that need support. In fact the Iranian state is using the military and financial threats of the US to mobilise against the working class in defence of the “nation”. Underdog imperialism is still imperialism and our solidarity is with the working class victims of these states. “Workers have no country” (Marx) but we do have a shared social position as the creators of the world’s wealth. It is upon this that we have to build resistance to the system, not on spurious alliances with supporters of this or that capitalist faction.

The best solidarity of all would be for workers, all over the world, to recognise that we are in the presence of a system which is in a prolonged death agony; a system which has not only reduced the living standards of the majority of workers the past 4 decades but also confronts us with more war and environmental destruction. The alternative is for us to organise – not just to fight for crumbs from the bosses’ table, but to overturn the whole system. This means to organise politically and internationally and this is what the Internationalist Communist Tendency is trying to do, by bringing together working class militants from around the world who recognise the increasingly urgent need for capitalism to be overturned before it destroys us all. Past history shows that unless the centres of world imperialism are quickly paralysed by working class action within them, then the ruling class still has the freedom to crush any movement in any one place. We therefore need a new International¹³ to coordinate the political struggle of the working class on a world-wide scale. This is critical to our success. The appearance of this International as a real force regrouping thousands is still some way off but, as we wrote at the end of 2017,

Unless the world working class forges this political tool as part of the rise of its revolutionary consciousness we will be facing yet more defeats in the future. Our earnest hope is to engage with those new forces which do come to a consciousness of the need to overthrow the system, to give them a political compass, something to rally around, whilst at the same time, we seek dialogue with those forces which already exist to actively cooperate where possible, agree to disagree where necessary, and ultimately to unite as history inexorably moves on and a real class movement develops.

A real class movement cannot come about too soon. As capitalism continues its drive towards war, however “irrational” some of its defenders maintain this would be, our slogan remains “No war but the class war”.

Jock

Notes

1. Despite the idea that the Cold War was between two “super-powers” the CWO always maintained that the USSR was so much economically weaker than the US that its only success as a rival was in arming its proxies in their so-called “wars of national liberation”. The USSR, far from being socialist was equally dominated by the law of value as well as an irrational centralised planning mechanism hence when the post-war boom came to an end in the West it also had a similar impact in the USSR. In the face of a crippling arms race the KGB understood by 1982 that the USSR could not match the USA either economically or militarily and its attempt at reform via their chosen candidates Andropov and Gorbachev was thwarted by the opposition of the nomenklatura. The struggle between them led to the paralysis which brought about the collapse of the USSR.
2. See:
<https://www.leftcom.org/en/articles/2017-02-03/russia-china-and-the-usa%E2%80%99s-new-world-disorder> for the full explanation.
3. “What are we there for?” Tom Stevenson *London Review of Books* 20 May 2019
4. Stevenson op. cit.
5. See:
<https://www.leftcom.org/en/articles/2018-02-13/china-long-held-us-fears-becoming-reality><https://www.leftcom.org/en/articles/2017-11-04/china-openly-declares-its-imperialist-ambitions> and <http://www.leftcom.org/en/articles/2017-02-03/russia-china-and-the-usa%E2%80%99s-new-world-disorder>
6. See Sam Fleming “The currency warrior” in the *Financial Times* 2 July 2019
7. <https://www.leftcom.org/en/articles/2016-03-29/the-class-composition-of-the-islamic-state>
8. For details and our response see <http://www.leftcom.org/en/articles/2019-05-30/iran-and-the-usa-on-the-warpath> and <http://www.leftcom.org/en/articles/2019-06-17/the-attack-on-two-oil-tankers-in-the-gulf-of-oman>
9. <https://www.ft.com/content/6b944786-9809-11e9-8cfb-30c211dcd229>
10. See:
<https://www.theguardian.com/global-development/2019/jun/20/human-cost-of-yemen-war-laid-bare-as-civilian-death-toll-put-at-100000>
11. See Arron Merat’s article at <https://www.theguardian.com/world/2019/jun/18/the-saudis-couldnt-do-it-without-us-the-uks-true-role-in-yemens-deadly-war> . On June 20 the Court of Appeal decided that the British government had violated the law in supplying arms to Saudi Arabia for use against civilians in Yemen (implying that at least four government ministers, Hunt, Johnson, Javid and Hammond all lied). It is a blow to the arms industry in the UK as 40% of its arms exports go to Saudi Arabia. Unsurprisingly the government has announced it will appeal.
12. See <https://www.leftcom.org/en/articles/2018-12-29/workers-strikes-in-iran-this-time-it-is-different> <http://www.leftcom.org/en/articles/2018-11-19/crisis-rise-workers-militancy-iran> <https://www.leftcom.org/en/articles/2018-11-30/iran-workers-strikes-and-protests-continue>
13. <https://www.leftcom.org/en/articles/2018-02-28/on-the-future-international>

Class Struggle in China

The role of China in the imperialist pecking order has been covered many times on our website (leftcom.org). Here we deal with China's evolution from a largely agrarian society to an industrial powerhouse which has also created the world's largest working class – and what comes with that is, of course, simmering class conflict. While data is naturally incomplete, last year saw some 1,700 documented workers' actions, including strikes, protests, blockades, and sit-ins, in most cases organised outside of the trade unions. On the surface, compared with the relative social peace in the UK despite decades of austerity, these statistics seem impressive. But to understand the full picture of the class forces at play in the state capitalist empire, we need to look at recent events in the wider context.

Birth of the People's Republic of China

The great battles of the Chinese proletariat between 1925-7 were the last gasp of the international revolutionary wave that followed the October Revolution in the Russian Empire. [1] At the time China was a young republic torn apart by British and Japanese imperialism as well as rival warlord cliques that formed in the fallout of the collapse of the Qing dynasty. In 1921 the Communist Party of China (CPC) was born in Shanghai around the intellectuals Chen Duxiu and Li Dazhao. Ideologically it was a confused amalgamation of groups coming out of the anarchist and nationalist milieu, those who moved to the left following the failure of the mass demonstrations of 1919 against the terms of the Treaty of Versailles, known as the May Fourth Movement. Initially composed of only 50 members, the early communists organised study groups, translated the works of Marx, Engels and Lenin, and made contact with the Communist International. However, rather than dissuade their nationalist illusions and encourage organisational independence, the Comintern instead ordered their Chinese comrades to turn to the Kuomintang (KMT) – a republican nationalist party which sought to create a united China and put an end to the era of warlordism. It was another indication of the degeneration of the Comintern which adopted the policy that workers' organisations in the capitalist periphery should put themselves at the disposal of national bourgeois forces, since bourgeois revolutions were still deemed to be "progressive" in these parts of the world. [2] In 1922, the CPC and the KMT formed an alliance, and a year later the Comintern was providing direct help and support to the KMT in the name of anti-imperialism. In 1924, again under the orders of the Comintern, CPC members officially joined the KMT in a United Front and set up

a joint National Revolutionary Army, a move supported by the then young Mao Tse-Tung, a student of peasant origin (who soon began to rise within the party hierarchy and argue, against Duxiu, that the primary revolutionary subject in China were peasants, not workers). This alliance was to have tragic consequences.

In June 1925 a general strike broke out in Canton and Hong Kong, following the killing of Shanghai strikers by British soldiers. Workers formed their own strike committees and workers' militias. Although CPC militants were active in the movement they had to tread carefully – the KMT was, after all, the ruling party in Canton, and had the backing of the Soviet Union! The strike collapsed in the spring of 1926 under the pretence of national unity, following a coup by Chiang Kai-shek, a KMT military leader. With the strike over, the KMT and the National Revolutionary Army began their Northern Expedition to unite China under its rule. Tensions between the KMT and the CPC were approaching a critical point, leading to an internal power struggle within the KMT. As the troops of the National Revolutionary Army approached Shanghai, the working class there saw its opportunity to strike against the warlord forces still in control of the city. When the KMT arrived however, the workers did not put down their weapons. An uneasy period of dual power ensued, in which the Comintern actually refused to back the workers in fear of alienating the KMT. Finally, Chiang ordered a violent purge of the city. Thousands of workers and communists were murdered in cold blood by their former "allies". Expulsions of communists began in other cities too. The Comintern and the CPC, recognising how outmanoeuvred they were, launched uprisings against the KMT in parts of China, but these were likewise mercilessly crushed with major losses for the Chinese proletariat. By the end of it, the CPC lost up to 25,000 of its members, its proletarian base, and had to reorganise. A Politburo was set up, and in 1928, under Mao, the CPC created its own Red Army out of ex-KMT military units. The class struggle which paved the way for the defeat of the warlord forces met a bloody end, and gave way to the Chinese Civil War between two armed gangs, the KMT and the CPC, in which millions more perished. However, China was just one piece in the puzzle. Imperialist tensions were now rising worldwide, and in 1931 Japan saw the chaos in China as an opportunity to invade Manchuria. The Japanese threat became the main preoccupation of both the CPC and the KMT.

In the course of the Long March (a military retreat of the CPC during the Civil War), Mao rose to become not only the military leader but also, through manoeuvres and purges, the ideological leader of the CPC. He proclaimed the need for a "Chinese people's revolution" which would go through two stages. The first stage, the "new-democratic revolution", would put an end to the Civil War, destroy the vestiges of feudalism and at the same time undermine world imperialism (i.e. Japan). It was to be entirely consistent with Three People's Principles (nationalism, democracy, social welfare), devised by Sun Yat-sen, the first leader of the KMT. The

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second stage, the “socialist revolution”, was relegated to the future. In the “red areas” controlled by the CPC, Mao sought to “increase agricultural and industrial production, expand trade with the outside, and develop the co-operatives.”[3] In effect, the CPC was guided by a loosely stitched together theory aimed at modernising China, one which combined early KMT thought with “Marxism-Leninism” (a Stalinism with Chinese characteristics one could say!). The theoretical proximity to KMT nationalism, the looming Japanese threat, and the CPC’s still limited membership (40,000 in a country of half a billion), explains why in 1937, despite the tragic failure of the First United Front, the KMT and the CPC united again in the Second United Front – and once again, the two parties vying for state power merged their military forces. The Chinese Civil War was suspended, and gave way to the Second Sino-Japanese War. In 1940 Mao would write:

“Stalin has said that ‘in essence, the national question is a peasant question’. This means that the Chinese revolution is essentially a peasant revolution and that the resistance to Japan now going on is essentially peasant resistance. Essentially, the politics of New Democracy means giving the peasants their rights. The new and genuine Three People’s Principles are essentially the principles of a peasant revolution.” [4]

By 1941 the Second United Front had, predictably, collapsed and the conflict between the KMT and the CPC was reignited. The USA, looking for allies in its war against Japan, sent observers to China and was impressed with the fighting and organisational capacity of the CPC (in comparison to the widespread corruption in the KMT zones). War with Japan concluded in 1945, but the Civil War now resumed, despite attempted KMT-CPC peace negotiations. Mao rebranded his now million strong military units as the People’s Liberation Army, while Chiang was invited to the UN Security Council as the recognised leader of China, in the hope that the country would support the anti-USSR bloc (despite the USSR helping the KMT to get off the ground in the first place!). The CPC, with the USSR at its side, was ruthless in its attempt to drive out the KMT from China, and did not shy away from exacting atrocities on civilian populations (e.g. during the Siege of Changchun). By 1949, with the CPC in control of mainland China, the KMT was forced to retreat to Taiwan. The People’s Republic of China was proclaimed on 21 September 1949. And Mao, as the leader of the CPC and the People’s Liberation Army, would be the leader of the “new China” until his death in 1976.

State Capitalism with Chinese Characteristics

The civil war and the war with Japan claimed the lives of tens of millions, but in the end it established the CPC as the faction better prepared to run the Chinese state with all that it entailed. The birth of the People’s Republic of China was not the

result of a successful working class revolutionary movement, as that movement was drowned in blood in 1927, but a military campaign, carried out within the orbit of imperialism over more than 20 years. In official mythology, the People's Republic of China was established by a "people's war", and founded upon the "bloc of four classes" (workers, peasants, petty-bourgeoisie and national bourgeoisie) – it was a New Democracy, rather than a dictatorship of the proletariat. Mao Tse-Tung Thought became the official state ideology, the state took over the task of reconstruction of the war torn economy, and control was upheld through regular state directed purges and mass mobilisations of the population.

Mao's governing style was developed from his experience of running the "red areas" in the previous years (particularly Yan'an) and the input of Soviet advisors. The CPC grew to some 4,5 million members by 1949. By 1952 the land reform destroyed the feudal landlords as a class, and created a mass of petty bourgeois individual peasants. With this vestige of feudalism gone, capitalist reconstruction could proceed. Ever since war with Japan ended, the class struggle in the cities began to re-emerge out of the underground – but, unlike in the countryside, where the CPC had an interest in carrying out reforms and encouraging peasant expropriations, the priority in the cities was the revival of production wrecked by war. To this end, independent workers' organisations were banned, the All-China Federation of Trade Unions (ACFTU) became the officially sanctioned state trade union and, together with bodies like the Labour-Capital Consultative Conferences, the party tried to resolve conflicts between workers and employers through negotiation and the depoliticisation of working class demands. Only once the land question was resolved, and the "new-democratic revolution" was complete, could the so called "socialist revolution" proceed.

In 1952 the process of turning private enterprises into private-public enterprises was accelerated (following the Five-Anti Campaign), and the nationalisation of industry was announced in 1955. By the late 1950s the majority of the growing urban population was organised according to the *danwei* system – work-units through which the party line was disseminated, which distributed resources and provided services, and which strictly regimented the work-life balance towards productivity (Mao was a dedicated follower of the capitalist diktat: "raise labour productivity, reduce costs of production"!). The *hukou* system of registration, intended to strictly control internal migration between rural and urban areas, was also introduced in 1958.

The death of Stalin aggravated the already uneasy alliance with its imperialist godfather, the USSR. De-Stalinisation was decried in China as "revisionism" – the USSR had by that point become a world superpower with its own sphere of influence on the capitalist world market, and so could afford to turn away from some of the brutal methods of state capitalist accumulation in order to ensure

social peace. Mao was yet to fully venture on his campaign of mass industrialisation and collectivisation. What Stalin accomplished in the 1930s and 1940s, Mao reproduced in the 1950s and 1960s. However, while the foundations were laid by Mao (the party-state, land reform, *danwei* and *hukou* system, electrification, industrial infrastructure, literacy), the transformation from a rural society to an industrial giant was only beginning. The China that emerged in the 1970s, due to the setbacks of the Sino-Soviet split (after which China was isolated on the international stage), the Great Leap Forward (which failed to increase agricultural production and contributed to a massive famine), and the Cultural Revolution (which briefly stirred up forces beyond the party's control), necessitated a change in direction. Rapprochement with the United States (1971-2), de-collectivisation, and the growth of private enterprise began even before the death of Mao, but accelerated under Deng Xiaoping. In 1978 China had its 1956 and traditional Maoism was deemed unfit for purpose. The CPC retained its leading role in the state, but

“from the Chinese road to socialism one suddenly went over to market socialism, that is, from one mystification to another, but with significant changes in the political economy and, above all, in relations with the rest of the world. The ‘open door’ policy, inaugurated by Deng, had the objective of encouraging international economic relations, ideologically overcoming the Maoist conception of self-sufficiency and concerns about internal interference by international investors. Such a policy was concretely manifested by the opening of China to external commerce, to direct external investment and to international loans. Favouring and encouraging the opening to the outside world was the creation of the experimental zones for the free market, the so-called special economic zones (SEZ’s), within which external investments enjoy particular protection. The creation of the SEZ’s occurred in the South of the country, in particular in Guangdong and Fujian provinces.” [5]

Essentially, what occurred in the Eastern Bloc in the late 1980s and early 1990s, China began to implement earlier and more gradually. Its opening up to the West was even observable on the imperialist front, as in 1978 China militarily intervened in Cambodia, and a year later in Vietnam – in both cases against the Eastern Bloc. Despite official mythology however, independent class struggle within the People’s Republic of China did not disappear.

Workers Confront the New Democracy

Pre-1978 class struggle in the People’s Republic of China took a particular form. Often Mao would intentionally stir up discontent among Chinese workers or peasants in order to release social tensions, and preempt more serious outbursts.

These state orchestrated mobilisations, which gave workers and peasants the illusion of power through brief periods in which criticism and class war against enemies (indicated by the state) was tolerated, essentially functioned as a safety valve for the state and ensured class struggle remained within bounds the party could control. It did not always work as intended. Despite the 1950s being a period of relative social peace in comparison to the turbulence of previous decades, following on from the Hundred Flowers Campaign, the strike wave of 1956-7 managed to pose a challenge to the party and its trade unions. Disturbances began in Guangzhou where, in the aftermath of the 1956 uprisings in Poland and Hungary, workers used those events as a way to demand higher wages. A worker in a tobacco plant told the factory owner:

You don't care about workers' livelihood. Remember the Hungarian incident? We can show you what it's like! [6]

That movement reached its peak with the Shanghai strike wave of 1957:

Major labour disturbances (naoshi) erupted at 587 Shanghai enterprises in the spring of 1957, involving nearly 30,000 workers. More than 200 of these incidents included factory walkouts, while another 100 or so involved organized slowdowns of production. Additionally, more than 700 enterprises experienced less serious forms of labour unrest (maoyari). [...] Of the more than thirteen hundred incidents that took place during the approximately one hundred days from March to early June 1957 (the highpoint of labor unrest in Shanghai), nearly 90 percent were centered in newly formed joint-ownership enterprises. [7]

The transformation of private enterprises into private-public enterprises was accompanied by a reduction in real wages and the termination of certain job perks. Understandably, it caused discontent among the workers. Workplace specific demands were first raised with factory management, if that did not work, workers would then forward them to the local authority, if they received no response, they would organise mass meetings – from there the action could escalate to strikes, slowdowns, petitions or barricading in factory managers. The strikers included not only non-party people, but also party members, former guerilla fighters and even those on factory management committees. Although some union cadres sided with the workers, anger was often directed at the unions (which controlled collective welfare funds), with instances of union officials being physically assaulted. In one instance, a worker (a member of a secret society and a former union cadre under the KMT!), raised the slogan:

We workers need only a working people's organization [laodong renmin zuzhi], not a union [gonghui]. [8]

However, despite its strength, the Shanghai strike wave, like the Guangzhou strikes of the previous year, did not raise political demands and remained primarily a struggle over work-related grievances. Nevertheless it 1) raised the

question of who was speaking for the working class in the New Democracy, 2) demonstrated opposition to nationalisation where it meant the worsening of working conditions, and 3) showed awareness of class struggle outside of China. It was not the only time workers took Mao's calls to action "too far".

In May 1966, in an effort to reclaim his authority within the party and the state following the failure of the Great Leap Forward, Mao initiated the Cultural Revolution. Calling the masses to rebel and seize power, particularly the workers and the youth, he unleashed a movement to purge the party from within (the factions around Liu Shaoqi and Deng Xiaoping). By the end of the campaign in the mid-1970s, hundreds of thousands were dead, the working class was not any closer to holding power, and working conditions had not improved. Certain episodes of the Cultural Revolution however did show workers' self-initiative and an attempt to challenge the existing order. The initial period consisted primarily of students forming Red Guard paramilitary units loyal to Mao. A Cultural Revolution Group, under the control of the Politburo Standing Committee, was set up to encourage criticism and local uprisings, while trade unions and party cells were dissolved in favour of "revolutionary committees" (still under the control of party cadres). Two factions emerged within the workers' organisations: the conservatives (*baoshoupai*) organised in the Scarlet Guard, and the rebels (*zaofanpai*) organised in the Red Guard. The former consisted of the more privileged sections of the workforce, often employed in bigger enterprises, who wanted to protect their conditions and tended to align with the existing authorities. The latter were younger, more precarious workers (contract or temporary) and apprentices, who answered Mao's call enthusiastically.

It was not until October 1966 however that workers really took to the movement. [9] This mainly consisted of setting up their own organisations, openly organising around work-related demands (many of the issues raised in 1957 had not been resolved, and there had been a wage freeze since 1963), and, as the movement grew over the next few months, overthrowing local authorities in an effort to set up enclaves on the model of the Paris Commune. This "January Revolution" did not last long. Mao wanted workers to rebel only as long as they did not 1) disrupt production and 2) question the leading role of the party. As such, by January 1967 those who disrupted production in their fight for work-related demands were accused of "counterrevolutionary economism" and condemned as "saboteurs of the Cultural Revolution". By February 1967 the word "commune" was banned by the party, and in cities like Shanghai where the "commune" model gained popularity, the "three-in-one" model was enforced instead, which clamped down on direct democracy and ensured power remained in the hands of representatives from party cadres, the People's Liberation Army, and (to create the illusion of democratic power) some organisations of the workers. Radical currents

emerged which, despite not quite breaking free of the Maoist framework, began to pose important questions. The manifesto *Whither China?* produced by Hunan's Provincial Revolutionary Alliance stated:

Why did Comrade Mao Tse-tung, who energetically advocated the 'commune,' suddenly oppose the establishment of 'Shanghai People's Commune' in January? That is something which the revolutionary people find it hard to understand. Chairman Mao, who foresaw the 'commune' as a political structure which must be realised in the first cultural revolution, suddenly put forward 'Revolutionary committees are fine!' [...] Since a Red capitalist class is already formed in China, the army of course cannot detach itself from this reality. Yet the January storm has not touched in any way the vital problem of all revolutions – the problem of the army. [...] The putting forward of three-in-one combination amounts to reinstatement of the bureaucrats already toppled in the January revolution. Inevitably it will be the form of political power to be usurped by the bourgeoisie, at which the Army and local bureaucrats are to play a leading role. [...] The commune of the 'Ultra-Left faction' will not conceal its viewpoints and intentions. We publicly declare that our object of establishing the 'People's Commune of China' can be attained only by overthrowing the bourgeois dictatorship and revisionist system of the revolutionary committee with brute force. Let the new bureaucratic bourgeoisie tremble before the true socialist revolution that shakes the world! What the proletariat can lose in this revolution is only their chains, what they gain will be the whole world! The China of tomorrow will be the world of the 'Commune.' [10]

Between February and March 1967, in response to such insubordination, the more radical workers' groups were banned, many were arrested or beaten up, and their houses raided. Workers were ordered to return to their posts, undertake self-criticism, and resume work, while temporary and contract workers who disobeyed were sent back to the countryside. Soldiers were put in factories to keep the peace. The state was more heavy handed with workers than with students. The crackdown aimed to prevent the formation of any currents that could challenge the party (which is why particularly those groups which organised across different trades and districts, or were made up of demobilised soldiers, were targeted). In the summer of 1967 the conflict between factions within the state turned to open warfare. The Cultural Revolution Group and the rebel groups sympathetic to it began to clash with the People's Liberation Army. By that point class struggle was again subsumed into the internal political struggle of the ruling class, and the divisions within the working class between the conservatives and the rebels were exploited so that Mao, with the help of the Gang of Four (a hardline party faction, which included Mao's wife Jiang Qing), could then re-establish national unity under Mao Tse-Tung Thought.

Towards the end of 1971 soldiers were withdrawn from the factories. In 1974-5 industrial unrest began again – there were protests in Guangzhou, and strikes in Hangzhou (put down by the People's Liberation Army). While raising economic

demands, workers however remained mired in the factional struggles within the CPC (many supporting Deng Xiaoping against the Gang of Four). In January 1976 the death of the moderate Premier Zhou Enlai led to a period of public mourning, during which posters appeared across cities criticising the Gang of Four. It began with students in Nanjing and culminated in the Tiananmen Incident of 5 April, where hundreds of thousands of mourning workers and students were dispersed with force, while Deng was put under house arrest. The state's response undermined the Gang of Four, and when in September 1976 Mao died, Deng was rehabilitated and began his rise to power. Censorship and repression was scaled back, official trade unions were re-established, unofficial journals and independent political posters proliferated (although based in Hong Kong, part of that wave was the *Minus* magazine for example which came to identify China as state capitalist [11]). The symbolic centre of this "democracy movement" was the Democracy Wall in Xidan of 1978, where people could openly voice their grievances and criticise China's leaders by using handwritten wallposters (*dazibao*). Liberal and reformist messages intertwined with working class concerns:

According to the concepts of Marxism-Leninism, the people should control the means of production. But ask yourselves, Chinese workers and peasants: Apart from the small wage which you receive each month, what do you control? What belongs to you? The answer is shameful: Others are your masters. In a socialist society, the product of labor should belong to the worker. But what do you get? Just enough so that you can continue to work! Higher salaries have not sufficed to compensate for soaring prices, and our standard of living has not improved. [12]

By and large however, the "democracy movement" was supportive of Deng's reforms. In the 1970s this turn towards civil society discourse and democratisation was seen all across the Eastern Bloc, and led to sections of the dissident intelligentsia, and eventually the state, looking towards the West for solutions. It also coincided with the first calls for free and independent trade unions in China (particularly in the aftermath of the rise of Solidarność in Poland in 1980). Many Chinese workers were caught up in the illusion of the "democracy movement" (although there were still ongoing concerns over wage and welfare cuts). Deng set the stage for the arrival of Western capital and marketisation, but despite this, between 1979 and 1981 he gradually clamped down on the "democracy movement" resulting in arrests and the banning of publications and organisations (after all, the leading role of the party was still not up for debate and the spectre of Solidarność loomed high). The economic reforms brought a degree of destabilisation to the economy and began to gradually erode welfare and the *danwei* system, confirming working class fears. Three waves of inflation followed, one in 1985 (with an average growth of 10% in annual prices), one in 1988 (20% growth), and another one in 1993 (nearly 25% growth). The first wave

of inflation triggered student protests in the cities of Hefei, Shanghai, Beijing, and Nanjing, but these were easily dispersed. They did however raise the profile of liberal dissidents (like Fang Lizhi, Liu Binyan and Wang Ruowang). The second wave of inflation, together with the death of the reformist official Hu Yaobang, set the background to the 1989 Tiananmen Square protests.

If in previous decades the relationship between students and workers was uneasy, at Tiananmen Square it now became hostile. Students, organised in the Beijing Students' Autonomous Federation, saw themselves as an ideological elite which alone held the answers to China's problems. They opposed calls for a general strike, and tried to keep the movement under their control. [13] When workers in the Beijing Autonomous Workers' Federation tried to join the protests they were prevented from setting up camp in the square itself and were not given access to the sound system. Students and workers ultimately had different aspirations at this point – the former wanted to speed up the liberal reforms, the latter opposed the reforms which worsened their working conditions. For a brief moment it seemed as if China might have its own *Solidarność* (in the form of the Beijing Autonomous Workers' Federation) and its own *Wałęsa* (in Han Dongfang). But following on from their Polish counterparts, the Chinese government declared martial law and the police and the army moved in. Hundreds were killed and injured, and workers, who staged pitched battles and set up barricades, again got the harsher end of the stick than the students.

The repressions of Tiananmen Square discouraged workers from politically resisting the market reforms of the 1990s. Instead, with the help of the official trade unions, they were mobilised to push ahead Deng's Four Modernisations (of agriculture, industry, science and technology, and defence). Strikes still occurred of course, but once again were largely confined to work-related grievances, and since the late 1990s, in the era of mass layoffs, these gave way to protests.

This brings us to modern day China. The changing composition of class forces, and China's rise to an economic powerhouse, can be demonstrated by some statistics from the World Bank. [14] The rural population has shrunk massively: in 1960 it amounted to some 84% of the population, by 1978 it dropped to 82%, but by 2015 it had plummeted to 45%. The opposite trend can be observed in regard to China's GDP. In 1960 it amounted to \$60 billion, it grew to \$150 billion by 1978, and then skyrocketed to \$11 trillion by 2015 (second only to the USA). The rate at which capitalist development has taken place in China is unprecedented.

Of course, as with every economic miracle, it could only take place on the backs of the working class. The benefits of the *danwei* system and the "iron rice bowl" (job

security) have been undermined in the drive towards productivity. The Special Economic Zones, with their new age Taylorism, the 996 working hour system (work from 9am to 9pm, 6 days per week), and the restrictive *hukou* system, have allowed for hyper-exploitation. China became a member of the World Trade Organisation in 2001, which further opened it up to foreign capital. Individual achievement, rather than collective welfare, was now glorified (in Shenzhen today ads and sculptures trumpet: "Follow our party, start your business"). Job mobility has replaced job security (45% of employees now work in the service industry and there is a large gig economy thanks to online apps and services like Didi Chuxing, Meituan Dianping, Huya, Douyu and Kuaishou). In 2012 Xi Jinping became the General Secretary of the CPC, and utilised the phrase "Chinese Dream" to promote entrepreneurship and modernisation. His long term goal is for China to become the world's number one superpower by 2049. The Belt and Road Initiative is central to this. [15]

Prospects for Class Struggle Under the Chinese Dream

Every once in a while stories of labour unrest in China make their way into English language news (particularly when the actions affect brands popular in the West). Over the past ten years, in the wake of the financial crisis, we could mention the following:

- 2010: Foxconn suicides, and the strike wave at Honda and Toyota plants
- 2011: strike at Hi-P International (supplier to companies such as Motorola and HP)
- 2012: strike at Foxconn (manufacturer of Apple products)
- 2013: *Southern Weekly* incident (strike and protests over newspaper censorship)
- 2014: strikes at Yue Yuan International (largest manufacturer of sport shoes, such as Nike, Crocs, Adidas, Reebok), and at Dongguan Masstop (Apple supplier)
- 2015: strike at Stella Shoe Co. (manufacturer of shoes, such as Prada, Nike, Adidas)
- 2016: strikes at Walmart
- 2017: strike of Meituan food delivery drivers and clashes with security guards
- 2018: Jasic Incident (protests following a quashed attempt to form an independent union)

These strikes have mobilised from as few as 200 workers (at four Walmart stores) to as many as 50,000 workers (at seven Yue Yuan plants), and saw the involvement of both urban and rural migrant workers. The latter, like the contract workers of the past, continue to face discrimination due to the *hukou* system (established

urban workers get preferential treatment over newcomers when it comes to job opportunities. They enjoy more rights at work, and are less likely to be denied wages). The main grievances of these strikes have included low pay, poor working conditions, work accidents, wage arrears, lay offs, as well as disputes over bonuses, pensions and social insurance funds. Health conditions such as silicosis (caused by inhalation of airborne silica dust, common during pneumatic drilling and coal mining) remain an ongoing issue. The statistics from the China Labour Bulletin (founded by Han Dongfang) provide a fuller, but by no means complete, picture of working class activity in China over recent years. [16] Guangdong (a historical working class stronghold, and now home to three of the six Special Economic Zones) has remained the top location for worker unrest. Construction (30-40%), with manufacturing a close second (20-30%), is still the top sector for unrest despite the rise of the gig economy. Since 2015 there appears to have actually been a slowdown in activity (2018 saw 1,701 recorded instances of workers' actions, a decrease from 2,774 incidents in 2015), It is in the absence of major class confrontations that the Jasic Incident has taken the spotlight.

From May 2018 onwards, workers at a Jasic Technology plant (based in Shenzhen, Guangdong, producing welding equipment), motivated by poor working conditions, attempted to set up an independent union. In response the workers were sacked, which kicked off a solidarity campaign in July calling for their reinstatement, led by university students, elderly Maoists and former Jasic employees. The state clamped down, placing some of the protestors under detention. This aggravated the situation further, and the campaign, now calling for both the reinstatement of the workers and the release of the protestors, grew through online networks, making it to English language media. The Jasic campaign had everything to please the Western non-Stalinist left: demands for a free trade union, involvement of Marxist students, and calls for "solidarity". This has obscured the nature of this event – the "Statement of Willingness to Join the Jasic Union" collected only 89 signatures, in a workplace of over a thousand. As repression started, only around 20 of these workers remained involved, and from then on the campaign was largely led by those outside the plant (students and leftists). This is not to detract from the fact that it was well publicised despite conditions of state censorship, but it was not a major struggle. A recent article from the journal *Chuang* dispels some of the illusions, and is worth quoting at length:

In fact, the incidents at the Jasic factory in Shenzhen never involved a strike at all, and neither the workers nor the support groups ever claim that the workers were on strike. This did not stop prominent English media from misreporting it as a "strike" action... [The] claim that Jasic represents a growing trend is also a gross error, and most likely a somewhat intentional distortion of the facts to

Class struggle

produce a narrative that unionization is the proper next step for China's workers. [...] Indeed, there are occasionally workplace related actions that involve the union, but they are exceedingly rare. Cases of union-related demands, like reelection of union representatives for example, make up just 0.001 percent of all worker actions in China, according to the more than 10,000 incidents recorded by China Labour Bulletin between 2011 and 2018. Moreover, the most noteworthy strikes and protests that involved unionization demands were generally a sign of intervention by some sort of outside organization, like a local labor NGO, or as in the case of Jasic, but also other cases, national Maoist political networks. It is well documented that large networks of Walmart workers in China, for example, were developed with the aid of NGOs, which helped facilitate some of their actions and provided legal support for workers. [...] Taking another look at China Labour Bulletin's statistics, there were precisely six incidents in the 2067 cases between 2018 and March of 2019 that had anything at all to do with unions, including the Jasic case, and not even all of them are demands for union elections or the like. In one case construction workers are protesting unpaid wages owed by the trade union itself. [17]

In other words, the Jasic Incident does not represent a growing trend in the wider class movement in China, but is rather the result of a skilful publicity campaign carried out by misguided but well-meaning elements or those who simply want to funnel class struggle down a trade unionist route. Which brings us to the four main organisational and ideological traps facing the working class of China today:

Trade unionism. The demand for independent trade unions raised during the Jasic Incident, but repeated since the 1970s by leftists, academics, NGOs and Han Dongfang (now of the China Labour Bulletin), represents a step backwards compared to the mass wildcat movements of 2010 at Honda [18] and 2014 at Yue Yuan [19], self-organised primarily by word of mouth, smart-phones and internet chat rooms (in the absence of the old work-units as centres of mobilisation, workers have found new ways of reaching thousands by the use of modern technology). While most recognise that the official union ACFTU serves to nip in the bud every sign of independent worker activity, there are still illusions in the creation of these "independent trade unions". The example of Poland in the 1980s should serve as a warning and a lesson here, of how even a most militant union of millions created during a wave of popular struggle ended up clamping down on workers' self-organisation, and negotiating a political and economic transformation which destroyed working and living conditions. [20]

Factionalism. The experience of 1966 (when militant workers rallied behind Mao only to then face repression when they took the idea of "seizing power" too far), or of 1978 (when workers rallied behind Deng in the hope of reforms, only for him to

open up the country to the free market and all that entails), should demonstrate that there is nothing to be gained from siding with this or that faction of the establishment. It is likely that in the future new “reformers” or “radicals” will emerge from within the cadres of the CPC, but no matter how much they will pose as being on the side of the people or the workers, their aim is to ensure struggle does not leave the control of the state, and instead is confined to internal power struggles.

Maoism. The early history of Mao and Maoism is significant as it became the dominant ideology within the People’s Republic of China and, like in feudal Europe when many revolts against the existing order expressed themselves in the language of Christianity, in China class struggle has since often been expressed in the language of Maoism. For the older generation the appeal of Maoism is not unlike that of the nostalgia for the welfare states and the post-war boom of the 1950s seen in the West, where job security and basic provisions were still granted. For the younger generation, searching for political alternatives, Maoism is seen as the antidote to the marketisation and insecurity that followed the reforms of 1978 in which they have lived their whole lives. Maoism is not Marxism however, it is the ideology of state modernisation combining KMT nationalism and Stalinism, it is taught at Chinese schools and universities, and has no emancipatory potential (revolutionary theories for ousting the ruling class are not on the curriculum!). The extent to which workers and youth break from Maoism whilst at the same time resisting Western-style democracy will determine how far they develop a revolutionary perspective.

Nationalism. The ruling class has always tried to translate working class discontent into national terms, as part of its tactic of divide and rule (current state persecution of the Uighurs, under the pretext of combating terrorism, extremism and separatism, resembles in tone the anti-Muslim bigotry in the West even if it is more vicious in content). Both state-centric nationalism based on the Stalinist model and Han-centric nationalism based on the KMT model has played the role of enforcing Chinese national unity, strengthening the state, and justifying Chinese imperialism. The working class movement in China is not purely a Chinese affair. Workers have no country and the struggle against an international system has to take place on an international scale. Like in the 1920s, 1950s and 1980s, when class struggles in Eastern Europe inspired Chinese workers to challenge their own state, workers today need to develop international links and learn from each others’ experiences if we want to find a way out of the capitalist crisis (efforts to translate communist texts from English into Chinese and vice versa are a start).

The way forward in China, as elsewhere, remains working class autonomy and a communist programme. The former has to be defended against those who would

wish to see it dissolved (state actors, NGOs, trade unions), the latter has to be revived by the more class conscious elements of society who reflect on the lessons of the past (and ultimately unite in an internationalist political organisation). This is by no means easy, but with economic growth in China at its slowest pace in nearly three decades and crippled by debt, and the spectre of international war and climate crisis putting the lives of millions at risk, it becomes more imperative by the day. If and when the Chinese working class takes up the mantle of mass class struggle again, and realises the lessons of its own historical memory, the world's ruling classes may well tremble again.

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Notes

- [1] <https://www.leftcom.org/en/articles/2009-04-21/china-1925-1927>
- [2] <https://www.leftcom.org/en/articles/2010-09-15the-national-question-today-and-the-poisonous-legacy-of-the-counter-revolution>
- [3] https://www.marxists.org/reference/archive/mao/selected-works/volume-1/mswv1_9.htm
- [4] https://www.marxists.org/reference/archive/mao/selected-works/volume-2/mswv2_26.htm
- [5] <https://www.leftcom.org/en/articles/2003-08-01/china-a-boom-with-feet-of-clay>
- [6] Mark W. Frazier, *The Making of the Chinese Industrial Workplace*, p.198
- [7] Elizabeth J. Perry, *Shanghai's Strike Wave of 1957*
- [8] *Ibid.*
- [9] Jackie Sheehan, *Chinese Workers: A New History*, p.109
- [10] <https://www.marxists.org/history/etol/newspape/isj/1969/no037/shengwulien.htm>
- [11] The forerunner of Minus corresponded with the CWO (and other communist left organisations) for some years in the 1970s and 1980s but seemed to move towards councilist positions and eventually ceased contact. <https://libcom.org/history/some-editions-minus-magazine-hong-kong-1970s-0>
- [12] Jackie Sheehan, *op.cit.* p.162
- [13] <http://chuangcn.org/2019/06/tiananmen-square-the-march-into-the-institutions/>
- [14] <https://data.worldbank.org/country/china>
- [15] <https://www.leftcom.org/en/articles/2018-02-13china-long-held-us-fears-becoming-reality>
- [16] <https://clb.org.hk/>
- [17] <http://chuangcn.org/2019/06/jasic-strikes-unions/>
- [18] For more on the 2010 Honda strikes, see: https://mouvement-communiste.com/documents/MC/Booklets/BR1_China_EN_vF_Complete.pdf
- [19] For more on the 2014 Yue Yuan strikes, see: <https://libcom.org/blog/new-strikes-china-28072014>
- [20] <https://www.leftcom.org/en/articles/2019-05-17/solidamosc-trade-unionism-or-self-organisation>

The 1919 Platform of the Communist International

A Milestone in Revolutionary History

In March 2019 we commented on the 100th anniversary of the founding Congress of the Third International (<https://www.leftcom.org/en/articles/2019-02-28/founding-of-the-comintern-then-and-now>). This meeting took place as the working class carried out a battle against capitalism on a scale not seen before or since.¹ As that article notes, this initial conference was attended by delegates who predominantly represented forces that were still in the process of politically defining themselves while assimilating and developing revolutionary praxis. Despite such limitations, the Congress adopted a Platform that was, and remains, rich in sharp formulations regarding the nature of the imperialist epoch and the potential for working class revolution.

A century ago a working class world revolution was a real possibility. 1919 also saw soviet republics established in Hungary, Slovakia and Bavaria whilst intense class war raged not just in old Europe but across the planet. That revolutionary wave eventually subsided and we have experienced counter-revolution and the retreat of the working class since. However the contradictions of capitalism never go away. These reproduce crisis and class struggle even if they are separated by long periods in which the class seems almost absent from the fight. Today, the possibility of our class achieving its revolutionary potential seems far less imminent than in 1919 but it still exists as the one global antithesis to a mode of production that is dragging humanity down the road to war and environmental catastrophe. If today's communists are to play a role in recovering our class's consciousness as "a class for itself" then reflecting on the 1919 Platform is no mere exercise in historical nostalgia. It is a significant contribution to our ability to understand and carry out our revolutionary responsibilities. This commentary is a contribution to that task. It will focus both on the Platform itself, and on the related discussion on the significance of that first conference.

The Presentation of the Platform

The Platform was drafted and presented by Nikolai Bukharin of the Russian Communist Party (Bolshevik) and Max Albert², who, with his Spartakusbund comrades was a founding member of the German Communist Party. Both in the initial presentations, made on the second day of the proceedings (3rd March 1919)

and in the Platform itself, adopted on the fifth day (6th March) there are a number of key themes that merit revisiting.

Significantly, between those two sessions the Congress had resolved that the gathering would constitute the Founding Congress of the Third International. This was a decision which had to be won in debate against the position of Albert who argued that the meeting should only be considered as a “preparatory conference”. This position was made clear at the start of Albert’s presentation on the Platform.

KPD Indecisiveness

We have dealt more than once with the tardiness which marred revolutionaries in Germany organising towards a clear political break with Social Democracy and the Second International. That same hesitation is clearly reflected in Albert’s opening comments, “... *the German comrades* [i.e. the recently formed KPD] *declared that we do not want to proceed to founding the International just yet. Instead, want to hold a preparatory conference ...*”.³

Albert justified that approach with a number of intertwined arguments. To avoid misrepresenting his approach we will use direct quotes. He started off with a criticism of the Second International with which all the delegates would have agreed. He referred to “*the conferences, where resounding resolutions were drawn up and plans were hatched for great actions*”. He continued with a concise description of the abject collapse that happened at the outbreak of the First World War when

“... all those resolutions were ignominiously abandoned and all the international’s work was wrecked. All the resolutions were trampled underfoot, and the actions taken were in direct contradiction to what had been resolved”.

In response to that political collapse, Albert correctly asserted “*That is why workers are mistrustful*”. To be more accurate, the most class conscious workers were mistrustful of the social patriots but were enthusiastically supportive of the possibility of proletarian revolution.

His observation about mistrust (and worse!) of the social patriots felt by politically advanced layers of workers flowed into a different argument which echoed the prevarication which had already been displayed by Spartakusbund towards the SPD and USPD in Germany. Arguing for an indeterminate delay to founding the International, Albert claimed support from an undefined set of “workers”. Based on an assumed empathy with that group, Albert argued for a delay in the raising of the banner of a new and revolutionary International. His approach was that “*we must first state what we want and what basis there is for further struggle; then they [workers] will say whether they are ready to found the new International and join it*”.

Albert also argued another reason why it was premature to found the International. That argument is paraphrased in two paragraphs in our article on the founding of the Comintern.

Attendance was also unavoidably restricted to those who were able to be present in Moscow while the wars waged by the White armies and their imperialist backers still raged and the area controlled by the Soviets endured a blockade imposed by the imperialist powers. This partly accounts for the absence of delegates from areas where significant class struggles were taking place such as Italy or Spain.

It is also indisputable that the selection of those attending the Conference reflected the state of flux amongst revolutionaries. In many of the national territories, both those present at the Congress and those that were not, the process of organisational definition was far from complete. Many Communists who supported the revolutionary wave were still organising as fractions and tendencies within a range of organisations. For example, the US SLP (Socialist Labor Party) that Reinstein was notionally delegated from would split, with only part of its left wing joining the Third International. In contrast, the two representatives from Switzerland represented different fractions. Platten was listed as representing the opposition within the Swiss Social Democratic Party while Leonie Kascher was delegated from the Swiss Communist Group.⁴

Even if other delegates understood Albert's objections, it was clear from the debate that the meeting as a whole saw the declaration of the new International as a necessary part of the existing situation of the sharpest proletarian struggle in the history of capitalism. Here we turn to the discussion leading to the decision to found the International.

Revolutionaries as the Vanguard of the Proletarian Revolution: Why the International?

The decisive decision to overcome the KPD's prevarications was taken the day after the initial presentations of the platform. It resulted from a motion moved by four delegates. Christian Rakovsky was a member of the Russian Communist Party but was recognised as the delegate of the Balkan Revolutionary Social Democratic Federation. J. Gruber moved on behalf of the Communist Party of German Austria [5], Otto Grimlund on behalf of the Left Social Democratic Party of Sweden, whilst the fourth delegate was Endre Rudnyánszky of the Hungarian Communist Party.

The motion consisted of four short points :-

1. The necessary struggle for the dictatorship of the proletariat requires a homogeneous and united international organisation of all Communist

forces that stand on this platform.

2. Founding it is all the more necessary because an attempt is now being made in Bern, which may be repeated elsewhere in the future, to revive the old, opportunist International and to bring together all the confused, undecided forces among the proletariat. A sharp break is therefore required between the revolutionary proletarian forces and the social traitors.

3. If the Conference meeting in Moscow were not to found the Third International, the impression would arise that the Communist parties were divided. That would weaken our position and increase the confusion in the undecided forces among the proletariat of all countries.

4. Therefore, constituting the Third International is an absolute historical necessity and the International Communist Conference meeting in Moscow must make it a reality [our emphasis – CWO].⁶

Albert responded to the debate, putting forward and expanding the points that he had made when presenting the Platform. To summarise his objections, in the order they were made, Albert argued the following:-

A shared understanding had been established around support for councils/soviets as opposed to bourgeois democracy; however

The Communist forces were insufficiently organised or defined.

The reorganisation of the reformists at the Bern Conference would not be stopped by the declaration in Moscow. Forces gravitating to the re-founded Yellow International had acted according to their political positions and would not be attracted to the Third International.

There was insufficient clarity about the basis for unity – “about each party’s methods and goals”.

Communist Parties, in any meaningful sense, only existed in very few areas. Elsewhere the process was at a much earlier stage which was reflected in the nature of organisations represented at the Congress.

Many of the territories with a powerful proletariat were not even represented at this initial meeting.

The debate that followed was one sided with all the other speakers arguing in favour of the “historical necessity” of founding the International there and then. In addition to the four signatories of the motion, other speakers included Zinoviev for the Russian Communist Party, Angelica Balabanoff representing the ongoing Zimmerwald Committee together with representatives of Communist forces in Poland, France and Finland. The final speaker was Joseph Fineberg, a member of the British Socialist Party who had been granted credentials as the representative of the “British Communist Group”.

The thrust of the arguments against Albert and the KPD was that further delay was

unwise and unnecessary given the material reality of the unfolding revolutionary situation. It was also argued that the work of a preliminary conference had started and had been continuing since the Zimmerwald conference. Jukka Rahja, of the Finnish Communist Party made the point that *“Founding the Third International is also vital because it would have tremendous importance now as the centre of the worldwide revolutionary labour movement”*. Rakovsky argued that *“Failure to [found the International] would arouse the suspicion in the rest of the world that the Communists cannot agree among themselves”*. Rudnyánszky put the need to found the international precisely in the context of the living revolutionary process. he expressed an understanding that,

*.. the Third International ...has already existed for a long time. The International was born in the struggle of the Russian proletariat against the Russian bourgeoisie ...The German Communist proletariat has begun the same kind of fight, and the revolutionary Communist proletariat of Hungary is in the midst of one today..*⁷

At the end of the debate a vote was taken and the motion was carried unanimously with the exception of five votes for abstention by the German Party. The session ended with two short but significant developments. The representatives of the Zimmerwald Left declared the dissolution of the Zimmerwald Association, the structure bequeathed from the 1915 Conference.⁸

Albert made a short statement which gives a valuable example of the workings of “democratic centralism” in a healthy organisation. Again, we make no apologies for quoting it in full:-

*Comrades, as requested by my party and in accord with my personal convictions I have done my utmost to postpone the founding of the Third International. It has now been founded nevertheless. I cannot conceal my grave doubts and deep concerns that the International does not yet have the strength and power we want it to have. But I assure you that when I return to Germany I will do all in my power to convince my comrades to declare as soon as possible that they too belong to the Third International.*⁹

Essential Insights Plainly Expressed: Imperialism

Revolutionaries reading the Platform will discover a series of sharply written formulations. This is no accident. They were developed at the height of the class struggle. The circumstances provided fertile ground for those steeped in Marxism to reflect on the material reality of that struggle and generate shared understandings of lasting value.

Building on works such as Bukharin’s *Imperialism and World Economy* and Lenin’s

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Imperialism, The Highest Stage of Capitalism, the Platform summarised imperialism's essential dynamics. The Congress adopted the analysis which highlighted the unbridgeable gulf between Communists and all those who, then and now, spread reformist illusions about a fictional non-predatory capitalism. The Platform adopted by the Congress took an understanding of Imperialism as its starting point. It is worth quoting at some length to show a rich and vital understanding expressed so accessibly.

Capitalism sought to overcome its own anarchy by organising production. mighty capitalist associations formed, such as syndicates, cartels, and trusts, replacing the numerous, competing entrepreneurs. Bank capital merged with industrial capital. The finance capitalist oligarchy came to dominate all of economic life; it used its organisation, based on this power, to achieve exclusive supremacy. Monopoly took the place of free competition. Capitalists in association replaced the individual capitalist; organisation replaced insane anarchy.

However, the more that capitalist organisation replaces anarchy within each country, the more acute become the contradictions, competition, and anarchy in the world economy. The struggle among the largest, best-organised predator nations led with iron necessity to the monstrous imperialist World War. Greed for profits drove world capital to fight over new markets, new spheres for capital investment, new sources of raw materials, and the cheap labour power of colonial slaves.¹⁰

The Nature and Tasks of the Proletarian Revolution

While revolutionary "praxis" was developing as layers of the proletariat struggled to build a new order, the Congress analysed and summarised the unfolding process. Contemporary Communists are familiar with the tangled web that "strivers after truth", weave around the "Period of Transition" [PoT] (Some well-intentioned others not so.) The time spanning the process between political power being snatched from the bourgeoisie and the future situation where all the filth of class society will have been eliminated clearly becomes more than a theoretical issue once there has been a successful breach in capital's political and economic power. For the Congress, seeing the first moments of the process unfold allowed them to comment on both specific aspects and also the underlying features.

Regarding the overall PoT, the formulation in the Platform is neat and precise.

The proletarian state is an apparatus of repression like every other, but it is wielded against the enemies of the working class. Its purpose is to break and eliminate the resistance of the exploiters, who use every means in a desperate struggle to drown

the revolution in blood. The dictatorship of the proletariat, which openly gives the working class the favoured position in society, is at the same time a provisional institution. As the bourgeoisie's resistance is broken, and it is expropriated and gradually transformed into part of the work force, the proletarian dictatorship wanes, the state withers away, and with it, social classes themselves.¹¹

In the Russian territory, and tragically briefly in other areas, such as Bavaria and Hungary, that generation of Communists were confronting unprecedented questions about production and distribution under the control of the Workers Councils (Soviets).

Grappling with the complexities of the challenge the Platform commented on both the generality and specifics. "The proletarian dictatorship will be able to accomplish its economic task only to the degree that the proletariat can establish centralised agencies to administer production and introduce workers management. To that end it will have to use the mass organisations that are most closely linked to the production process.¹²

In the sphere of distribution, the proletarian dictatorship must replace the market with the equitable distribution of products. To accomplish this the following measures are in order: socialisation of wholesale firms; takeover by the proletariat of all distribution agencies of the bourgeois state and the municipalities; supervision of the large consumer cooperatives, which will continue to play a major economic role during the transitional period; and the gradual centralisation of all these institutions and their transformation into a single system distributing goods in a rational manner.¹³

In contrast to the distortions of both democratic and anarchist critics, the Platform had workers' self-activity at the centre of its vision. The section including the two paragraphs immediately above concluded, "*During this time of great upheaval the council power will have to steadily centralise the entire administrative apparatus, while also involving ever broader layers of the working population in direct participation in government.*" [our emphasis].¹⁴

The Congress and its Platform was entirely unambiguous about the necessary separation between the new revolutionary International and the remnants of the Second Internationalist parties that had just met, as the Platform described "... to unify their forces by founding the Yellow "International" in Bern, the better to serve Wilson's League of Nations."

The Platform clearly differentiated the new International from all the strands in the Second Internationalist framework.

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...it will not be enough to split with the outright lackeys of capital and the hangmen of the communist revolution, the role played by the right wing Social-Democrats. It is also necessary to break with the centre (the Kautskyites), who abandon the proletariat in its hour of greatest need and flirt with its sworn enemies.

The Platform also recognised that new forces were being attracted to the Communist programme from beyond the former Second International. For example, in the USA we have already commented that a fraction of the Socialist labour Party would join the Third International. Prominent IWWer Bill Haywood also solidarised with the revolutionary wave but sadly moved to Russia in 1921 when the first signs of counter-revolution were already visible. Similarly in many European countries including Germany, Netherlands and Britain various organisations and fractions from beyond the main Second Internationalist background worked towards founding Communist Parties in their national territories.¹⁵

Reflecting such developments, in the section headed "The Road to Victory", the Platform noted that,

*a bloc is needed with the forces in the revolutionary workers' movement who, although not previously part of the Socialist party, now for the most part support the proletarian dictatorship in the form of council power. Certain forces in the syndicalist movement are an example of this.*¹⁶

The final declaration of the Platform resounds with the revolutionary optimism that ran throughout the Congress as the proletarian movement directly struggled for power in Bavaria and Hungary as well as Russia. The comrades at the Congress declared the Communist vision for a future world in a form that is a total negation of the counter-revolutionary slogans around "socialism in one country". The Platform's closing proclamation epitomises the Communist vision "Long live the international republic of proletarian councils!"¹⁷

Questions Unanswered

It was inevitable that, given the circumstances of the Congress, including the weaknesses highlighted by Albert, not all issues could be fully analysed or a communist approach to this new epoch of capitalism could be worked out. There are at least three examples where clarity was not achieved. These were around the Communist approach to the national question, the role of trade unions and what the Platform referred to as "revolutionary utilisation of bourgeois parliament". On that last point it is useful to quote the relevant section of the Platform.

The revolutionary epoch requires the proletariat to use methods of struggle

*that bring all of its strength to bear.. That means mass action and its logical consequence, direct confrontations with the bourgeois state machinery in open battle. all other methods, such as revolutionary utilisation of bourgeois parliament, **must be subordinated to this goal.** [our emphasis].¹⁸*

In all cases, these issues were to return at later congresses of the International. This would be either at the Second Congress in 1920 [19], where the Communist forces had achieved better organisation and political definition, or at later Congresses which were increasingly politically derailed as the counter-revolution strengthened its grip.

The 1919 Platform: Understanding our Legacy

The platform was approved by the Congress at a session on the fifth and final day, 6th March 1919. A century later the Platform's concise description of the continuing historic phase remains an accurate summary. As the struggle between the two great classes within capitalism raged across the globe the Congress understood that *"A new epoch is born: The epoch of capitalism's decay, its internal disintegration; the epoch of the proletarian, communist revolution"*.²⁰

With the benefit of hindsight we know that, despite its vigour and commitment from many millions of workers, the revolutionary wave would be defeated and the capitalist class would reassert its worldwide power. The whole of humanity has paid a massive price as the depravities of the imperialist order now clearly offer not only wars and preventable disasters but the real prospect of the total collapse of human society or even the complete destruction of the conditions for humanity's survival. The intensity of the crisis that capitalism has imposed has sharpened exponentially since the revolutionary minority met in 1919. Nevertheless, their declaration is still a fully appropriate appeal for those who want to work with us to help build the next International – an essential tool in the proletariat's unavoidable struggle for a sustainable future. ²¹ As the Congress proclaimed:-

... humanity itself faces the danger of complete destruction. Only one force can save it, and that is the proletariat... The end result of the capitalist mode of production is chaos, which only the largest productive class, the working class, can overcome. This class must establish a real order, the communist order. It must break the domination of capital, make wars impossible, destroy all national borders, transform the whole world into a community that produces for itself, and make the brotherhood²² and liberation of the peoples a reality. ²³

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Notes

1. References to the Platform and the Congress proceedings are from “Founding The Communist International: Proceedings and Documents of the First Congress: March 1919” (Anchor Foundation, 1987). The abbreviation FTCI has been used in references in the text.
2. Max Albert was the party name used by Hugo Eberlein during the Congress.
3. FTCI p. 113 All subsequent quotes in this section are taken from p.113 or p. 114
4. <https://www.leftcom.org/en/articles/2019-02-28/founding-of-the-comintern-then-and-now>.
5. Gruber was the party name used by Karl Steinhardt. German Austria was a shortlived geo-political entity following the collapse of the Austro-Hungarian Empire during the revolutionary wave. It roughly equates to contemporary Austria.
6. FTCI, p.167
7. All quotes in this paragraph from FTCI, pp. 176-7
8. For more on the Zimmerwald Left see <https://www.leftcom.org/en/articles/2015-09-08/zimmerwald-lenin-leads-the-struggle-of-the-revolutionary-left-for-a-new>
9. FTCI, pp. 181-2
10. FTCI, pp. 241-2
11. FTCI, pp. 243-4
12. The reference to mass organisations appears to flow from the conditions at that time in Russia. The comment apparently links to the approach to the trade unions, which we refer to in the next section on “Questions Unanswered”. It might also refer to local peasants’ organisations.
13. FTCI, p. 246
14. This and the following two quotes come from FTCI, p. 247
15. In Britain the Socialist Labour Party and the Workers’ Socialist Federation were two significant contributors. In Germany the International Socialists who had formed from various groups that had split from Social Democracy before the war had joined with the Spartakusbund to form the German Communist Party and in Holland the Tribune group of Gorter and Wijnkoop set up the SDP which later formed the main part of the Communist Party of the Netherlands.
16. FTCI, p. 247
17. FTCI, p. 248
18. FTCI, p. 247
19. The Internationalist Communist Tendency (ICT) will publish reflections on the Second Congress during the centenary year, 2020.
20. FTCI, p. 242
21. For our vision of how this can be carried out see On the Future International at <https://www.leftcom.org/en/articles/2018-02-28/on-the-future-international>
22. The use of the word “brotherhood” at this point is part of the terminology which also involved the customary use of “man or mankind” for “humanity” in the language used at the Congress. That use of language inherited from capitalism should not overshadow the work carried out by prominent early Communists such as Clara Zetkin and Alexandra Kollontai to support the twin tasks of involving masses of proletarian women in the new Communist movement and also ensuring that the needs of women were central to the agenda of revolution. A brief summary of that struggle is reflected in the Congress’s Resolution, moved by Kollontai, on the Need to Draw Women Workers into the Struggle for Socialism (FTCI, p. 250).
23. FTCI, p. 242

Money and Totality

by Fred Moseley¹

Background to this Book

This is a substantial book which the author admits has been 20 years in the making. It deals primarily with Moseley's own "Macro monetary" interpretation of Marx's economic writings and takes up and rebuts criticisms of this interpretation. However, the book also looks critically at the major interpretations of Marx's economic work, by Marxist academic economists, which have emerged in the last 100 years, giving a brief description of them and critically examining their failings. Many people may not realise this, but for the greater part of the twentieth century the accepted view among academic Marxist economists, which was generally known as the Standard Interpretation (SI), was that Marx made a fundamental mistake in his economic analysis which needed to be corrected. The key issue behind this is the so-called "transformation" problem, namely the transformation of values into prices of production. The SI and its offshoots claim that Marx failed to do this correctly and his work needs to be corrected. A number of corrections have been proposed and a further number of variations of these corrections themselves put forward in ever greater complexity. Moseley shows how these criticisms and corrections are founded on a misinterpretation of Marx's work; and that the corrections each violate some other key aspect of Marx's work. Moseley argues that Marx did not make a mistake and there is no transformation problem whatsoever.

It is interesting to note that the criticisms of Marx made by academic economists, had most currency during the period following the Second World War when capitalism appeared to be marching from strength to strength. A notable exception was Paul Mattick who argued, throughout the boom of the 50s and 60s, that the post war boom was based on the devaluation of capital which had been brought about by the war, and predicted the return of the crisis.² Moseley's book is dedicated to Mattick whom he recognises as a major influence on his work. With the return of the crisis in the 70s the SI began to be first challenged in academic papers and later in books. The crisis of 2007/8 has added momentum to this process and Moseley's book is the latest refutation of the SI. The relationship

of capitalism's health to interpretations of Marx's critique is not accidental. It is an illustration of the link between the infrastructure of capitalist society, its economy, and the superstructural ideology.

Though these disputes may seem somewhat arcane, the conclusions about the SI affect basic concepts of Marxism which are essential for understanding capitalism. In particular, the SI and its variants undermine the centrality of the labour theory of value. The refutation of the labour theory of value is, of course, something bourgeois economists have been trying to do since the 1870s.³ Marx's aggregate equalities, namely that, at the level of the global capitalist economy, total value equals total price and total surplus value equals total profit, which he derives in *Capital* Volume 3 Chapter 10 are also undermined, since as Moseley shows, according to the SI they cannot both be true simultaneously. These remain essential tools for understanding twenty first century capitalism with its inflation of the money supply, falling rates of profit and speculation. Understanding tendencies and developments in contemporary capitalism are, in turn, essential for framing principles and tactics in the class struggle.

The Transformation Problem

The labour theory of value holds that labour is the source of value in capitalism. The products of capitalist production, commodities, take their value from the labour they contain, which can be measured in terms of labour time. The source of profit in capitalism is the unpaid labour which capitalists extract from the working class, the surplus labour, which appears in the form of surplus value. This can also be valued in terms of labour time. Marx makes a provisional and simplifying assumption in Volume 1 of *Capital*, that commodities exchange at their values. This holds for the aggregate of the whole global economy, but Marx was aware that this is not true for individual commodities, which exchange at their prices of production.⁴

In *Capital* Volume 3 Marx examines how products of individual industries get their prices and concludes values are transformed into prices by multiplying the capital laid out in the individual industries by an average rate of profit determined across the economy as a whole. This produces an equalisation of the rate of profit throughout the sectors of the economy. Prices were therefore generally not equal to values but dependent on the capital laid out and the average rate of profit. Therefore individual industries do not generally get as profit the surplus value they produce. There is consequently a distribution of the total surplus value produced between the various industries and sectors of the economy. The amount each industry receives depends on the capital they lay out multiplied by the average rate of profit for the total economy. Marx drew up some tables in *Capital* Volume

3 chapter 9 which show the division of surplus value between industries with different capitals and different ratios of constant to variable capital. The initial inputs appear in terms of values. Marx argued, however, that for the economy as a total unit (and today this must be the global economy), the sum of all the values must equal the sum of all the prices and the sum of the surplus values must equal the sum of all the profits. Marx's analysis is a dynamic one starting with the economy as a whole from which an average rate of profit is calculated and then moving to the individual sectors where the capital they lay out is multiplied by an average rate of profit determined from the economy as a whole. This is an analysis with sequential evaluation which considers capitalism as a single system with direct connection between values based on labour time and market prices.

Marx's analysis is fairly straightforward and easy to understand. However, the proponents of the SI⁵ hold that, since the inputs to production are products of other industries, Marx should therefore have transformed the inputs from values to prices of production. They then set about correcting Marx's '*mistake*'. This resulted in evaluating inputs and outputs simultaneously via a series of simultaneous equations, or by mathematical iteration, or by analysing the production cycle in terms of the physical quantities of the commodities input to production and those produced as output. The rate of profit was also determined simultaneously.

Moseley examines the SI and the various permutations of it in detail. He points out these corrections amount to a static equilibrium theory of capitalism and moreover make the labour theory of value (LTV) redundant because the results of all the clever mathematics reach the same answer whatever the initial inputs. Further they result in two separate systems of evaluation: a value system, which is hypothetical, and a price system, which determines prices of production. These two systems are without connection. There is thus a price rate of profit and a value rate of profit which need not be the same. If this is the case then the key conclusion of the LTV that surplus labour is the source, and only source of profit, is undermined. The sum of the surplus values does not necessarily equal the sum of the profits and some other source of profit must exist. Similarly the sum of the values of globally produced commodities does not necessarily equal their prices. All this, one would have thought, represented metaphorically driving a coach and horses through Marx's analysis, but it has been considered merely as extending and improving his theory.

As capitalism's crisis continued further rejections of the SI have been developed. The so-called Temporal Single System Interpretation (TSSI), developed by A Kliman and T McGlone and explained in Kliman's book "*Reclaiming Marx's Capital*" (2007), presents a refutation of the premises and conclusions of the SI. In particular

it argues there is no logical flaw in Marx's theory, as the SI claims, instead it is a logically consistent system. Moseley is largely in agreement with the TSSI but criticises it for arguing that prices of production are short term prices applying to a single cycle only. Prices of production, he insists, do not change with each cycle of production as the TSSI claims. Moseley argues prices of production are rather than long term centre of gravity prices responding to prices of inputs to production. If prices of the inputs change during the production process prices of the outputs must reflect this.⁶ Moseley argues that, although the TSSI satisfies Marx's aggregate equalities in a single period of production, it will not do so in the long run.

Macro-Monetary Interpretation

Moseley has developed his "Macro-Monetary" interpretation by arguing that Marx's analysis starts on the macro level analysing capitalism as a single economy, that is analysing the economy as a whole in terms of values. It then proceeds to analysing individual industries, or branches of production. This is at the micro level, and the analysis is a monetary one resulting in prices. He calls these analyses different levels of abstraction. The first, the analysis of capitalism as a whole, can be done in terms of values. This is the level of abstraction which underlies *Capital* Volumes 1 and 2. For this it is assumed that commodities are exchanged at their values. For the whole economy, the sum of all the values will equal the sum of the prices and the sum of the surplus values will equal the sum of the profits. Thus for the total capital the rate of profit will be the sum of the surplus values divided by the sum of the values of all the capitals.

However, in Volume 3 the level of abstraction is a single industry. Here we find values converted into prices of production via the average rate of profit worked out for the economy as a whole and surplus value determined for the economy as a whole distributed between industries as described above. For an individual industry its original capital is increased, or in Marxist terms valorised, in the following cycle:

$$M-C \dots P \dots C' - (M + \Delta M)$$

A sum of money capital M is transformed into capital, C , representing means of production and labour power. This capital enters the production process P , and is transformed into capital C' , representing commodities produced. The sale of commodities C' results in recovery of the original money capital M plus an increase ΔM . ΔM , of course, represents the unpaid labour of workers. This circuit starts and ends with money. It starts in the sphere of circulation, moves to the sphere of production, then returns to the sphere of circulation.

Because the original purchase of the means of production and labour power takes place in the sphere of circulation, the exchange of money capital for means of production and labour power is an exchange at prices of production. Hence the inputs to the valorisation cycle are prices of production to start with and their transformation from values to prices of production has already taken place. It follows therefore that the entire argument about the need to transform inputs from values to prices of production is based on a misunderstanding.

However, if the inputs are prices of production they are not generally equal to their values as Moseley admits. The link between value and price of production can only be made by assuming that these actual quantities of money capital used to purchase means of production and means of subsistence do, in the long term average, approximate to values. Marx makes this assumption and so these sums represent a starting point, a point of departure, for the analysis. Using these values, which are the same as those used in Capital Volume 1, the analysis is able to show how a sum of money capital M can be increased to $M + \Delta M$.

Moseley is at pains to prove that his analysis corresponds to that of Marx. He supports this with many textual quotations from Marx's published works and the more recently available drafts and notebooks accessible in the MEGA⁷. He also deals with sections of Marx's work quoted by the SI proponents and attempts to show they are taken out of context or that their ambiguity needs to be seen in the context of Marx's work as a whole. Whether this book will lay the transformation problem to rest or not is, however, doubtful. So much of Marx's work now available was not edited by him but has been published posthumously. Major texts were compiled by Engels, and now with the MEGA available it is possible to see what Engels left out and what he reordered. In addition the notebooks, which are dated, show how Marx's analysis developed. Ambiguities, of course, remain and academic Marxists will continue to use them to support their various views. A more significant question is how precisely Moseley's analysis helps in understanding the trajectory of twenty first century capitalism.

Relevance to Twenty-first Century Capitalism

Moseley's book clearly affirms the key aspects of Marx's analysis which continue to underlie contemporary capitalism. The most important is the centrality of the labour theory of value to any true understanding of the present. Labour is the source of value and unpaid labour is the source of surplus value which in turn is the source, and only source, of capitalist profit. As a consequence it follows that the aggregate sum of the surplus value produced globally must equal the sum of the profits which the capitalist class appropriate. There is similarly only one rate of profit or, in other words, the value rate of profit is equal to the price rate of profit.

Also, since there is only a single system of values and prices the sum of the values must equal the sum of the prices of production.

Marx's analysis is based on money being commodity money, (i.e. gold/silver etc. which have intrinsic value in their own right). Does today's money, known as fiat money, invalidate all this? Moseley thinks it does not. Marx, in the chapter on money in the *Grundrisse*⁸ lists three main functions of money. It must serve firstly as a measure of value, secondly as a medium of circulation and thirdly as an abstract representative of wealth. Today's fiat money is a measure of abstract labour, i.e. value, and is accepted as both a medium of circulation and a representation of wealth. It therefore serves the same function as commodity money previously did. It can be related to labour time by what is known as the Monetary Equivalent of Labour Time (MELT). In a system of commodity money MELT would be determined by dividing the new value produced by labour in currency units (gold) by the labour time required to produce it. Moseley maintains that in a fiat currency system MELT is still related to gold and should be calculated by dividing the amount of paper money in circulation by the quantity of gold required to replace it if prices were gold prices.

The use of fiat money, however, gives states and banks controlling national currencies powers they could not have with commodity money which had to be backed by gold. Banks can inflate the money supply by issuing credit which is not redeemable by gold, while central banks can issue bonds and manipulate their interest rates. This is not a new phenomenon. In the case of the British economy, a standard work explains that: *In 1844 an Act of parliament limited the quantity of currency which the Bank of England could issue to the value of its stock of gold but the Act also allowed the Bank to issue £14 million of notes unbacked by gold, (the so-called 'fiduciary issue'). After this initial breach, the fiduciary element was consistently increased until the break from gold was completed in 1939 with the transfer of the Bank's gold holding to the Exchange Equalisation Account, for use only in international payments. (Guide to the British Economy, Peter Donaldson).* What Donaldson omits to mention is that the 1939 devaluation was the tail-end of a round of competitive devaluations by all major states in the world economic crisis preceding the Second World War. The worldwide break from gold had started with the British domestic economy in 1931 followed by the US abandoning the gold standard in 1933. By 1939 the break was 'completed' when the whole sterling bloc came off the gold standard.

More recently we have seen central banks directly injecting fictitious money into the banking system by bailouts and quantitative easing. This has created massive inflation. Since the modified gold standard ended in 1971 the inflation of currencies has been staggering. The gold price has risen from \$35 per ounce

to an average of around \$1400 today. This is devaluation of the \$ by a factor of 40 or 39000%. Past devaluations such as that carried out by Roosevelt in 1933, when the \$ was devalued from \$20.67 to \$35 per ounce of gold, which amounted to a 70% devaluation, pale into insignificance. For the UK inflation since 1971 has been 1470%.⁹ The amount of money relative to the size of the economy has been increased by a factor of about 16. This, however, is significantly less than the increase in the gold price. One of the reasons for this is the distribution of this new credit money and the way the official statistics on inflation are calculated. In the UK according to analysis of "Positive money," an organisation which campaigns for reform of the banking system, while the UK central bank (BoE) has created £190bn of additional money since 1971, private banks have created £2.02 trillion. The bulk of the new money created by private banking system, £1.28tn or 63% of it, has gone into housing. The second largest amount £460bn or 23% has gone into finance.¹⁰ This has produced massive inflation in UK house prices. In addition there has been a massive increase in debt, both of which are not registered in official inflation statistics. All this exists on a global scale also. Global debt, as we pointed out in *Revolutionary Perspectives* 12,¹¹ now amounts to approximately \$250 trillion, well in excess of the debt existing before the crisis of 2007/8. This debt attracts interest which can only result in the financial sector appropriating an ever larger share of the available global surplus value. All this, of course, has resulted in the enormous increases in inequality which bourgeois economists, such as Piketty,¹² have exposed and lamented. The use of non-convertible fiat currencies has given the controllers of capitalism the ability to carry out manoeuvres with the monetary system which postpone capitalism's problems. These problems are being attenuated by spreading them globally and allowing the central countries to appropriate an ever greater share of the global surplus value through their financial sectors. But have these measures been able to fundamentally invalidate Marx's critique of capitalism? We think not.

One of the issues which Marx is at pains to emphasise at the start of *Capital* Volume 1 is the fetishism of capitalist production. Nothing is as it appears and this starts with the nature of the commodity itself. Profit appears to come from both constant capital and labour both of which bourgeois economists insist are simply factors in production. The source of surplus value and so capitalist profit is disguised. The distribution of surplus value between industries, commerce, interest and rent, hide where this surplus comes from. Each sector claims it produces the profit it appropriates. Again monopoly capital drains surplus value from rivals to itself making it appear that monopoly itself is a source of profit which it is not. All this makes the system opaque and hence difficult to understand. However, as Marx noted

... all science would be superfluous if the outward appearance and the essence of

*things directly coincided.*¹³

Marxism is, of course, the critique which unveils the essence of capitalism which lies behind its appearance.

Today, as the global economy flounders from crisis to crisis, Marx's analysis of capitalism is the essential basis for a correct understanding of what is going on. Moseley's book reaffirms key elements of this analysis. The previous obsession with the transformation problem has resulted in the undermining of these key aspects of Marx's critique, actually making an understanding of twenty first capitalism harder. Moseley's book, though long winded and somewhat repetitive, serves a very useful purpose in exposing this undermining and its implications. For this reason alone it is worth reading.

CP

Notes

1. *Money and Totality* by Fred Moseley published by Haymarket Books in 2015
2. See *Marx and Keynes* Paul Mattick (Merlin 1970)
3. The theory of marginal utility as opposed to the labour theory of value was proposed by W.S.Jevons in 1871 and taken up by others including A Marshall "*Principles of economy*" in 1890. P Mattick wrote, "*Marginal utility is the construction of a value concept which justifies the prevailing class and income differentiations. The existing inequalities based on the exploitation of labour are explained as the undefeatable natural law of diminishing utility.*"
4. This issue was central to Marx's criticism of Ricardo.
5. Most important of the theorists of the SI are L Bortkiewicz "*Value Price in the Marxian system*" P Sweezy "*The theory of capitalist development*" P Sraffa "*Production of commodities by means of commodities*" I Steedman "*Marx after Sraffa*"
6. A Kliman argues Moseley's criticism amounts to simultaneous valuation of inputs and outputs.
7. MEGA is *Marx Engels Gesamtausgabe* – a project to publish all the writings of both Marx and Engels on the internet.
8. See K Marx *Grundrisse* p 115
9. See <http://inflation.iamkate.com/>
10. See Positive Money:
<http://positivemoney.org/how-money-works/how-did-we-end-up-here/>
11. See:
<http://www.leftcom.org/en/articles/2018-09-06/are-we-going-back-to-the-1930s>
12. See *Piketty Marx and Capitalism's dynamics*
<http://www.leftcom.org/en/articles/2015-08-07/piketty-marx-and-capitalism%E2%80%99s-dynamics>
13. K Marx *Capital* Volume 3 Chapter 48

Gramsci:

Between Marxism and Idealism

This edition of *Revolutionary Perspectives* goes to press at the same time as our English translation of Onorato Damen's book *Gramsci – Between Marxism and Idealism* published after his death in 1979 (see footnote 8 for how to purchase).

By way of a taster we present an obituary which we translated from *Prometeo*. This was the *Prometeo* published in Belgium between 1928 and 1938 as the "Journal of the Left Fraction of the Communist Party of Italy". This obituary from the Italian Left in exile appeared shortly after Gramsci's death on April 27, 1937, and its tone is remarkably in tune with the attitude of Damen (who was himself then a prisoner of Mussolini) in his book on Gramsci.

What will strike any reader who knows something of Gramsci's role in the "boshevisation" of the Communist Party of Italy is the lack of bitterness in its assessment of Gramsci's work. The Communist Party of Italy (PCd'I) was finally founded by the Left under Amadeo Bordiga at Livorno in 1921. At this founding Congress Gramsci said nothing. His own past support for Mussolini's imperialist interventionist position in the First World War, as well as his philosophical dabblings in the bourgeois ideas of Croce, Sorel and Bergson, hardly made him equipped to be the leader of a new revolutionary Party. Nevertheless it is repeatedly asserted by Stalinists and Social Democrats, who all claim something from the Gramsci legacy that he was the founder of the PCd'I.¹

Gramsci, in fact, initially admired and deferred to Bordiga and his leadership of the Party, and they would remain on friendly personal terms right up until Gramsci's death. Their political relationship changed when Gramsci was chosen as a representative of the Party in Russia in 1922. He spent two and half years in Moscow where he was groomed to replace the Left in the leadership of the Italian Party. The Comintern (or rather the Russian Party in the Comintern which was now virtually the same thing) were appalled that the Italian Party refused to apply the united front and enter into an alliance with the same Socialist Parties who they had only just split from less than a year before. The Left were willing enough for workers in the Communist and Socialist Parties to work together in strikes etc. but not to make a political deal with the Socialist leaders who were convinced supporters of the capitalist order and had been condemned as such by the Rome Theses at the Second Congress of the PCd'I.

It was Gramsci acting for the Comintern (along with Togliatti) who would take advantage of Bordiga's arrest by Mussolini in February 1923 to impose a new leadership on the Party. Imposing "Centrist"² politics and "bolshevising" the PCd'I would take some time longer since the Party membership and most of the local secretaries remained supporters of the Left. This was brought home to Gramsci at the clandestine Como Conference (May 1924) where the rank and file gave the Left ten votes for every one garnered by the new Central Committee headed by Gramsci.

With "bolshevisation" declared as the official policy of the Comintern at its Fifth Congress the Gramsci leadership increased its manoeuvres. From October 1924 onwards, starting with Bordiga in Naples, the various party secretaries who were known supporters of the Left were one by one removed from office. In the face of this supporters of the Left formed the Committee of Intesa,³ and organised a meeting with a Bordiga who was now already lapsing into passivity, in Naples in the spring of 1925. As we wrote in our introduction to the pamphlet on the *Platform of the Committee of Intesa*⁴ the meeting

" ... attracted "the most qualified representatives of the party's organisational apparatus" (Damen) — indicating that the main body of the Party was still with the Left. Gramsci had a quick remedy to alter that:

Few people know that soon afterwards Gramsci summoned the party functionaries who had participated in the Naples meeting and presented them with the typical administrative dilemma — either you defend and support the policies of the Party which pays you or you will be dismissed.

And the consequence of this?

...the shameful capitulation of them all, we say all, as if the militancy of a revolutionary in his class party had in an instant been turned into a commodity to haggle over. (Damen, Gramsci tra marxismo ed idealismo p.111.)

A similar manoeuvre was pulled off at the Lyons Congress in 1926 where the Theses of Gramsci and Togliatti were opposed by the Theses of the Left drafted by Bordiga. It was held in France so most of the delegates could not get out of Italy but, no matter, their votes were added to those of the Central Committee for its version of the Theses. Little wonder that they thus received 90.8% of the votes. And by this time the Committee of Intesa had been forced to disband under orders from the Comintern with which Bordiga complied. The Executive Committee also issued secret orders that any member of the Left who visited any local federation was to be searched and their material confiscated and sent to the Executive of the PCd'I. Damen was cited by name in this circular.

Bordiga's last act of defiance was his magnificent speech, against Stalin and the idea that the Russian Party was above the scrutiny of the International, at the VIth Enlarged Executive in Moscow in 1926.⁵ In the same year Gramsci, despite his supposed parliamentary immunity was arrested and initially sent to the island of Ustica where Damen was already held. They were soon to be joined by Bordiga but this only lasted a few weeks before they were all moved to different locations. Gramsci had begun his eleven years in prison and the running of the PCd'I was now taken over by Togliatti from Moscow. Under him both Damen (1929) and Bordiga (1930) were expelled from the Party they had founded.

Gramsci had already developed a deep aversion to the "bureaucrat" Togliatti and seems to have begun to understand the role he had played in the development of the counter-revolution in Italy. It appears that he broke with Togliatti after the latter wanted to take more drastic measures against the Left of the PCd'I whilst Gramsci recognised that they were still a real force, and the aim should be to win them over and re-unite the Party. His faith in the Communist International also began to falter when, in the same year, it became clear that Stalin had won in the power struggle in the Russian Party, and had Zinoviev expelled as head of the Communist International.⁶

However Gramsci never publicly went against the Communist Party of Italy or the International, and devoted his *Prison Notebooks* largely to cultural and historical issues (although apparently two of them are "missing"). In the five years to 1928 the only public criticism Gramsci ever made of the USSR was when its ambassador invited Mussolini to dinner during the Matteotti crisis! As his life ebbed away the Fascists released him from prison, but he eventually opted not to go to Russia. He wrote to his wife (who remained there with their two sons) that he intended to retire to Sardinia, a decision he tried to keep from the Comintern. He also vainly tried to prevent Togliatti from claiming to be his heir. His final tragedy was that the Stalinists, and others,⁷ used his confused writings (as the *Prometeo* obituary predicted) to try to dress up their own reformism as a more human form of Marxism. He did not even reach Sardinia but died in Rome only a few days after his release. These largely forgotten or unknown facts perhaps account for why the Communist Left regarded him on his death not so much as the agent of "bolshevisation" of the PCd'I but as someone who, in their words, had been "a captive of the class enemy".

In *Gramsci between Marxism and idealism* Damen does not dwell on this sorry history. Instead he concentrates his analysis on explaining the flaws in Gramsci's theoretical preoccupations, but to understand these it will be necessary to read the book to which the obituary below gives some tantalising pointers.⁸

Obituary for Antonio Gramsci

From *Prometeo* Number 145
30 May 1937

Now that he is dead, assassinated by Fascism,⁹ it is Gramsci's turn to suffer the fate of many before him. He is being murdered again through the words of his own apostles. The centrist press and the papers of the Popular Front have thrown themselves onto his corpse and are hoping to change the nature of his thought and work, by distorting it for their own counter-revolutionary ends.

We have already expressed our judgment on Gramsci, and did so years ago when the centrists first staged a campaign for the release of the "head" of the Italian proletariat. This campaign dragged on until it was clear that Gramsci had been delivered both from prison and from the complete ignominy reached by the degeneration of the current whose greatest inspiration he had been. A captive of the class enemy, he had slowly died in a clinic to which he had been transported when his days were already numbered, after 11 years of unheard-of mental and physical torture. We have no wish to change our judgment. We maintained then, as we do now, that the only proletarian way to commemorate the departed is to denounce his errors and mistakes, the negative and erroneous parts of his work, so that these do not obscure the clear-sighted and durable part of his activity, which becomes integral to the proletariat's inheritance in tomorrow's struggle for emancipation. And there is no shortage of faults, misunderstandings and weaknesses in Gramsci's work. This is due to his social origin and the period in which he joined the Italian workers' movement.

An intellectual — he studied philosophy at Turin — he suffered the influence of that idealist philosophy which led his spiritual brother and fellow victim of Fascism, Gobetti,¹⁰ towards the utopia of a rejuvenated and "revolutionary" liberalism. Politically, he suffered the primordial influence, as did many others, of Salvemini's¹¹ revisionism which saw socialism overcoming its crisis in the solution of the "Southern problem". And Gramsci, a Sardinian by birth, was a supporter of federalism which he fought for even within the ranks of the party.

As part of the generation which came to the movement through the war (Gramsci was at first an interventionist, as Tasca¹² reminds us, who was shaken by the October revolution without understanding its full significance) he sought to link himself more closely with the working class, which he found easy in Turin, the true "proletarian capital" of Italy.

But he was never a leader of the Italian proletariat, nor did he know how to become such. His physical condition also affected his will and decisiveness, which are indispensable for a leader. And, in fact, from 1921 to 1923 he submitted to the influence of Bordiga's "personality" and from 1923 to 1926 to that of the Comintern's leaders, "following Lenin".

A "leader" for us is one who expresses the aspirations and interests of the working class in a given historical phase. Bordiga was the Italian proletariat's "leader" after the war precisely because he understood, first of all, how to affirm the need for a class party to lead the proletariat to victory.

For communists, the word "leader" means a role played in a given stage of the proletariat's struggle for its emancipation, not a qualification for life. And even Bordiga was not able to be the "leader" of the Italian revolution. But this was in 1919-23 and Gramsci, even later, in 1924 at the time of the Matteotti crisis, was unable to take up anything beyond a position which did not correspond to the needs of the hour, namely his "Anti-parliament".

Despite being in Turin, objectively the most favourable place — where we, the "abstentionists" held a majority — Gramsci's understanding of the need for the Party did not come easily, and this did not happen until the middle of 1920. Bordiga already understood this in early 1919 although he was in Naples, objectively the least favourable place. This delay was fatal to the revolution in Italy.

Once the PCd'I was founded in 1921, Gramsci was on Bordiga's side and did not associate himself with the mostly hidden opposition of Bombacci or Tasca.

It was only later in Moscow, at the end of 1923 and the beginning of 1924, that Gramsci became the "creator" of Italian centrism which formed a bloc with Tasca's right (which was also born in Moscow) and gave the Italian Party, whilst its founders were in jail, the orientation which made it one of the pawns of the active counter-revolution.

And the "habitually indecisive" Togliatti (as Gramsci himself, characterised him) this time decided to become the "leader" of the new traitors after the Gramscis, the Terracinis and the Scoccimarro had fallen into the clutches of Fascism.

And this we can explain. It was no accident that Grieco, the "deputy leader", wrote in *Stato Operaio* concerning Togliatti that "his aversion to Bordiga and Bordigism had always been profound, I'd say almost physical".¹³ This aversion to "Bordigism" is, in fact, hatred of the proletariat's class struggle.

We firmly maintain that Gramsci could perhaps have re-joined the proletarian revolution after a complete recognition of his past errors, a necessary step in proletarian rehabilitation. Serrati, for example, had done this after the setbacks of 1920. Gramsci's letter of January 1924, quoted by Tasca, does not contain a confession of the errors committed by *Ordine Nuovo* in 1919-20 in failing to fight for the immediate creation of the Party. We "abstentionists" however, fought for this from 1919, although this fundamental position is often forgotten when the entirely contingent tactic of electoral abstentionism is being over-stressed.

But weren't there criticisms of the politics of the centrists, when they were initiating their "anti-Trotskyist" campaign, in Gramsci's letter of October 1926 to the Comintern? These were the only criticisms that the Gramscis, the Terracinis and the Scoccimarras – the original Italian centrists – were to make while it fell to their epigones – the Togliattis, the Griecos and the Di Vittorios – to prostitute themselves before Stalin, the helmsman of betrayal.

In October, Gramsci was arrested, and the year after he was condemned to 20 years. His martyrdom had begun.

To conclude, serious as Gramsci's errors were, he atoned for them, and in plenty, through his slow 11-year martyrdom. And Tasca, who, in the columns of *Giustizia e Libertà* and *Nuovo Avanti!* has tried to exploit the deceased to defend his own inveterate opportunism could, since he possesses a copy, publish Gramsci's letter in which, just after Livorno, he rejected Moscow's suggestion of treacherously attempting to eliminate Bordiga from the leadership of the Party which he had founded, saying that he would not hear of such a manoeuvre.

This would be a worthy commemoration of Gramsci.

Notes

1. For example, Wikipedia gives either an ambiguous version of the lie: "Gramsci would be a leader of the party from its inception but was subordinate to Bordiga, whose emphasis on discipline, centralism and purity of principles dominated the party's programme until he lost the leadership in 1924." or a total lie (this is in the entry on Togliatti) "The PCd'I was formed by *L'Ordine Nuovo* group led by Gramsci and the "culturalist" faction led by Angelo Tasca." In fact neither Tasca nor Togliatti were even present at the founding Congress.

2. "Centrism" was how the Italian Left characterised the policies of both Gramsci in Italy and the Comintern internationally as they retreated from the revolutionary positions of the first two congresses of the Communist International. Trying to forge mass parties at a time of class retreat involved them in the dubious manoeuvre of the united front with the social democrats. The Comintern was seen as centrist between a social democracy that had gone over to capitalism and a revolutionary revival of the working class. As such it was a label that

would endure to describe the Stalinist counter-revolution right up until the Second World War.

3. “Comitato d’Intesa” can be translated several ways. Committee of Entente, of Alliance, of Understanding are all valid so we generally stick to the Italian original.

4. This is available as a pamphlet from our address (or website) at £4 (including UK postage).

5. This can be found at <https://www.leftcom.org/en/articles/1996-12-01/1926-last-fight-in-the-communist-international>. Our unacknowledged translation and introduction can also be found at marxists.org at <https://www.marxists.org/archive/bordiga/works/1926/comintern.htm>

6. See http://classiques.uqac.ca/classiques/gramsci_antonio/ecrits_pol_3/ecrits_pol_3.html p.76 We are grateful to our comrade Michel Olivier for drawing this to our attention.

7. Gramsci’s ideas are dealt with at length in Damen’s book but for those looking for a shorter review of some of them can consult a review of his Pre-prison writings <https://www.leftcom.org/en/articles/2013-08-30/antonio-gramsci-pre-prison-writings-review-article>

8. Available now for £7.50 (post free in the UK) from our address or via the Paypal button on leftcom.org.

9. Gramsci, although technically immune from arrest as he was (like Damen) a parliamentary deputy, was arrested in 1926 and later sentenced to twenty years in prison. Suffering from several terrible illnesses he was denied adequate medical attention even though he spent the last 2 years of confinement in a clinic in Rome. Due for release on 21 April 1937 he died on 27 April.

10. Both Piero Gobetti and Gramsci studied under the idealist philosopher Benedetto Croce but Gobetti always remained a liberal. A leading anti-fascist he was beaten up like so many by Fascist thugs and died as a result in 1926.

11. In his youth Gramsci had supported Sardinian nationalism against socialism and for a time was influenced by the Puglian liberal republican (and leading anti-fascist) Gaetano Salvemini who argued that most of Italy’s problems stemmed from the poverty of the South of the country.

12. Angelo Tasca, along with Umberto Terracini and Palmiro Togliatti were part of the Ordine Nuovo group with Gramsci In Turin. Tasca though was always on the right of the PCd’I and sought to ally even with the most reactionary amongst the socialists. Expelled from the PCd’I by Togliatti in 1929 he ended up in France where he worked for the Vichy Government.

13. Palmiro Togliatti remained outside Italy until the Second World War ended. During that time he distinguished himself as a loyal Stalinist, especially in Spain where, under the name Ercole Ercoli, he was involved in the Stalinist crushing of revolutionary forces. He returned to Italy to get his followers to acquiesce in the restoration of the “democratic order” and thus prevent working class revolution in 1945.

Welcome to Klasbatalo as Canadian Affiliate of the Internationalist Communist Tendency (ICT)

The ICT and Klasbatalo are pleased to announce that from this point on Klasbatalo has become the Canadian affiliate of the Internationalist Communist Tendency. This will be no surprise to those who have been watching the steady growth in our relations over the last two years but our contacts with the original nucleus of Klasbatalo go back slightly further. In 2015 one of the comrades who formed the new group first contacted us with a view to joining our previous Canadian affiliate, the Groupe Internationaliste Ouvrier (GIO). At this time though the GIO was wracked by a crisis of its own making which we described in our announcement of its dissolution in January 2016 (this can be found at <https://www.leftcom.org/en/articles/2017-01-06/ict-statement-on-the-dissolution-of-the-gio-canada>). We thus advised the comrade to hang fire and await the outcome of our discussions with the remaining element of the GIO and, when we finally announced the GIO's demise, he set about contacting other left communists in Montréal, some of whom had been in the GIO for a brief time after its foundation.

As Klasbatalo themselves wrote in an earlier letter,

... the path of the Communist Left has been particularly painful in Canada. The comrades who formalized it in Quebec, mainly in Montreal, then had a very summary idea of the positions of the Communist Left, its strongest tendency and the best established then being that of the Internationalist Workers Group/ Groupe Internationaliste Ouvriere (affiliated to the ICT).

But, unknown to the ICT at the time, the GIO in Canada was dominated by personalism rather than political clarity and they soon felt compelled to leave it. The ICT were told that this was for "personal reasons". The struggle to establish Klasbatalo has not been an easy one.

Three of our members lived through the schism – which divided the Quebec "Communist Left" for more than 15 years in Montreal – by participating in both the Labor Internationalist Group and by adopting to a certain extent the policies of the ICC. We have therefore learned a great deal from this experience by meeting again in the summer of 2017 to deepen and clarify the journey we have taken for more or less 15 years within the "Communist Left".

The comrades have not only had to reject the dangerous and sectarian

behaviour of one political adventurer whose focus was simply on attacking other communist groups, but have also had to deal with the misinformed calumnies and misrepresentation of other groups of the Communist Left. Hopefully, the latter may now be a thing of the past, but these trials have only helped Klasbatalo to clarify what it stands for and what it rejects.

The Canadian experience has been equally “painful” for the ICT and after the dissolution of the GIO we resolved to examine what went wrong. As we wrote in January, 2016:

We as a tendency have however also to draw the lessons of this experience. The ICT has never set out to create clones of itself. The ICT is the coordinating body of groups which are centralised around a common platform but which have considerable freedom to work in their own areas with whomever they think are contributing to building a revolutionary proletarian organisation. [By this we mean one which is autonomous of social democratic/state capitalist and trades union elements which seek to integrate the working class into capitalist society by posing as “socialist” but who are actually intent only on reforming a system which is long ceased to be useful to humanity.] Our aim is for constituent groups to contribute to the development of revolutionary theory and practice as they participate in the class struggle wherever they live, obviously starting from the perspective of the communist left. This the GIO did sporadically but, as our recent discussions have revealed, tended to go with the movement too often in a sort of left populist way and did not always make their own distinctive and revolutionary contribution. This is a typical danger of any new political nucleus and can only be overcome by a consistent effort to collectively clarify what the political basis of left communist politics means.

It is for this reason that the discussions and cooperation between ourselves and the comrades of Klasbatalo have taken some time. Our demands of every potential affiliate remain the same. As we recently wrote to one potential applicant,

For us the process is governed, not by time, but by fulfilling the criteria that we believe necessary for any healthy addition to our overall international strength. These remain:

- 1. Political agreement with the Platform of the ICT*
- 2. A basic statement of positions – i.e. a Platform*
- 3. A set of organisational rules which define the behaviour and operation of communists within the said organisation.*
- 4. An organ of intervention, however infrequent in publication, which is a tool for intervention in the wider working class.*
- 5. A practice which attempts, however difficult the situation, to reach the wider*

Life of the organisation

working class and become a force in any future struggles to guide the class towards a political response to the capitalist crisis and its consequences.

These axioms were the basis of the discussions between the ICT and Klasbatalo and we are pleased to announce that not only have Klasbatalo fulfilled all these criteria but last November their delegate to our International Bureau meeting participated on the same basis as any other delegate of an ICT affiliate. With the issue of the first number of their political broadsheet, *Mutiny*, in May, and with their agreement to make further minor changes to their Platform (which arose out of our mutual discussions), the final steps in the process are complete. We are very happy to welcome Klasbatalo as our affiliate in Canada. As we always say to potential affiliates, you do not join the ICT, you help to create it. We are not fantasists and are well aware that we are still at the beginning of a long struggle to widen the reach of the Communist Left inside the world working class but here we have another step in that direction. Klasbatalo will now participate fully in the process of greater coordination of our work and updating the basic instruments we use to reach out to others. We look forward, not only to a long and happy association but also to the day when we will all be able to concretely participate in creating a real International of the revolutionary working class.

Internationalist Communist Tendency
6 July 2019

About Us

The Communist Workers' Organisation is part of the Internationalist Communist Tendency which was inspired by the Internationalist Communist Party (*Battaglia Comunista*). Formed during the Second World War in 1943, the PCInt. condemned both sides as imperialist. Its roots go back to the Italian Communist Left which had fought the degeneration of the Communist International and the Stalinisation imposed on all its member parties. Today there are ICT affiliates in several countries.

We are internationalists. We believe that the interests of the exploited are the same all over the world, and that communism cannot be achieved in one country, a myth peddled by Stalinism. Stalinism was never communism but a particular form of capitalism, state capitalism. After 1917 the economic blockade of the Soviet Union and the failure of the world revolution in the West meant that the revolution was transformed into its opposite, eventually becoming an imperialist bloc that would collapse after only seventy years. We are opposed to all (Trotskyists, Maoists) claims that state capitalism in whatever form is socialism.

We aim to be a political reference point for the working class, first of all for those who are tired of the unions, all unions. This does not mean giving up on the fight to defend immediate interests (wages, hours, work rates, etc.). But the unions are now a tool to control the class struggle and manage the labour force on behalf of capital. Today, any 'self-organised struggle', has to go outside of and against the unions. However, rank and file unions are a blunt instrument for workers. Even when they win a particular battle if they settle into a permanent existence they must accept the legal and economic framework imposed by the state. Any attempt to maintain a permanent body to defend workers' immediate economic interests will fail.

The only permanent body the working class can establish today is the political organisation, which is not only possible but essential. The starting point for this must be recognising that the general interest of the class lies in getting rid of capitalism. This is only possible through a revolution, i.e. the overthrow of the existing state and establishment of a new form of political power by the proletariat. The road to revolution does not mean the futile attempt to win control of the existing state via elections to parliaments or local governments which are means for the capitalist class to exercise its rule. History has shown us that the forum of our "democracy", the bodies

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of power of the revolution, will be the workers' councils, (or soviets) – mass meetings in which delegates will be entrusted with specific mandates and will be recallable at any time. But these potentially revolutionary organisations will be undermined by capitalist forces from within if they do not have a clear programme aimed at the abolition of exploitation and, therefore, the elimination of classes, for a society of “freely associated producers” who work together to directly meet human needs.

The programme is not the creation of any single theorist or one organisation. It is the outcome of the key lessons learned from past and present struggles and as such defines the practical way forward for the working class as a whole. Without a clear political compass the working class movement will be prey to all kinds of capitalist tricks and illusions. Thus political clarification and reorganisation today are vital for a revolutionary party to come into being which is in a position to win over the working class to the revolutionary programme. This is not a party of government that would replace the class and its class-wide organs of power, but a party of agitation and political guidance on the basis of that programme.

We are for the party, but we are not that party or its only embryo. Our task is to participate in its construction, trying to link immediate demands to the historical programme; communism.

Join us! Support the Internationalist Communist Tendency

The Internationalist Communist Tendency

Britain

The Communist Workers' Organisation

produces *Revolutionary Perspectives* (a six monthly magazine) and *Aurora* (an agitational paper)

BM CWO, London WC1N 3XX

Italy

Il Partito Comunista Internazionalista

produces *Battaglia Comunista* (a monthly paper) and *Prometeo* (a quarterly theoretical journal)

CP 1753, 20101, Milano, Italy

USA

IWG, P.O. Box 14485, Madison, WI 53708

Germany

Gruppe Internationaler Socialistinnen

produces *Socialismus oder Barbarei* (to appear quarterly)

GIS, c/o Rotes Antiquariat, Rungestrasse 20, 10179 Berlin, Germany

France

Bilan&Perspectives

produces a journal of the same name

ABC-LIV, 118-130 Av. J. Jaures, 75171 Paris Cedex 19

Canada

Klasbatalo

produces Mutiny/Mutinerie, a broadsheet in English and French

www.facebook.com/Klasbatalocollective/

klasbatalo_collective@gmail.com

Our Pamphlets

The Platform of the Internationalist Communist Tendency 70p

Revised English version (including postage in UK)

For Communism £4

An Introduction to the Politics of the CWO

Class Consciousness and Revolutionary Organisation £3

“Consciousness” is one of the most important issues for the working class and for revolutionaries. Our approach is unashamedly historical and attempts to draw out the real experience of the working class in its struggles of the last two centuries.

Trotsky, Trotskyism, Trotskyists £3

How Trotsky, who made an enormous contribution to revolutionary practice, ended up giving his name to a movement which returned to the counter-revolutionary errors of Social Democracy.

Stalin and Stalinism £1

The lie that the former USSR was “really existing socialism” remains a potent weapon against the working class. Here we examine the origins of the regime that came out of the defeat of the October Revolution as well as the motivations of Stalinism.

Holocaust and Hiroshima 50p

Examines how the nature of imperialist warfare comes to inflict mass murder on the world through an examination of these seminal events.

Capitalism and the Environment (by Mauro Stefanini) £1

Translated from *Prometeo* these show that our late comrade was ahead of his time in analysing the unsustainability of capitalist production.

Spain 1934-39: From Working Class Struggle to Imperialist War £3

Reprint of key CWO articles long out of print and translations of contemporary documents from the Italian Left in exile. New introduction.

Platform of the Committee of Intesa 1925 £3

The start of the Italian Left’s fight against Stalinism as Fascism increased its grip.

South Africa’s New Turmoil £2

Analysis of class relations in the period after the fall of apartheid thrown into relief by the strike wave which followed the Marikana massacres.

