

Revolutionary Perspectives 30

**STOP PRESS: *more US Workers
in Uniform Killed in the "Peace"
than in the War***



***But They're not Even Counting the
Iraqi Dead***

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Occupation of Iraq • Hutton Enquiry • Middle East
Consciousness • Spectre of Class Struggle
Trade Unions and Left Leaders • Toynbee's *Hard Work*
US Economic "Recovery" • Education • Pensions

Revolutionary Perspectives

*Quarterly Magazine of the Communist Workers' Organisation
British Affiliate of the International Bureau for the Revolutionary Party*

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Editorial

Imperialist Tensions Intensify — Class Struggle Needs to Intensify

Within the last three months the US's grand scheme for imposing a new order on the Middle East has moved haltingly forward. As we show in the article in this edition "US bogged down on the road to Eldorado", the project is proving more difficult and expensive than imagined. However, the great scheme of a region of US clients from the Red Sea to the Caspian, living under Pax Americana, *has not been abandoned. The latest state to feel the heat as the project advances is Iran. The country is the next important piece of the jigsaw. With Iran as a client the link for oil pipelines from the Caspian to the Persian Gulf could be achieved, thereby ensuring the US access to and control of Caspian oil as well as that of Iran itself. The heat has been turned up by means of the International Atomic Energy Association (IAEA), a body in which the US has decisive influence. Through the IAEA Iran was given a deadline by which it should agree to open its nuclear facilities, make a full declaration, sign additional protocols to the Nuclear Non-Proliferation Treaty (NNPT), etc., etc. Iran, which has signed the NNPT, has been enriching uranium, something permitted under the treaty; however it has failed to inform the IAEA of this thereby infringing some part of the treaty. The legality of the situation is, of course, not the issue as the invasions of Kosovo, Afghanistan and Iraq prove. This dispute over uranium enrichment could, however, be the trigger for US military action against Iran.*

The European powers and Russia are of course keen to undermine the US scheme for the Middle East and particularly the plan for Iran. As in the case of Iraq, these powers have substantial interests in Iranian oil, and, also as in the case of Iraq, they do not wish to see these overturned by military force. Consequently, the foreign ministers of France, Germany and Britain made a joint visit to Tehran to persuade the Iranian government to comply with the IAEA/US demands

and drop its uranium enrichment programme. In return, we understand, they offered to supply Iran with enriched uranium themselves. The agreement, which appears to have been accepted by Tehran, would tie Iran to the EU and upset the US plans. It has been greeted by the US with sullen scepticism. These events are a re-run of similar initiatives undertaken by French and Russian diplomacy before the Iran invasion and show how seriously a US attack on Iran is taken. The difference this time, apart from the US military being preoccupied in Iraq, is that Britain has joined the opposition. For the British, an invasion of Iran by the US would be an acute embarrassment which could cause the final downfall of the British balancing act between US imperialism and the EU. The fact that the British can now side with the Franco-German axis is a further example of the divisions in the British ruling class over the direction which British imperialism should take. This is discussed in more detail in the text on the Hutton Enquiry in this edition.

In the last two decades, the crisis in the capitalist economy has accelerated the trend towards shifting capital to regions of cheaper labour power. American workers, for example, are paid 28 times more than Chinese workers, hence capital has flowed to China to exploit the cheaper workers and increase profit rates. This flow has created massive growth rates in China and a massive trade surplus. For the US alone, the annual deficit with China is now \$116bn. The crucial part played by foreign capital in the Chinese surplus is shown by the fact that half of it is accounted by foreign investment. A more detailed consideration of the present state of the US economy is included in the text "US Claims Economic Recovery While the Dollar Falls" in this edition. For the working class the freedom of movement of capital, which became global after the collapse of the Russian bloc, has brought fragmentation and insecurity.

Since the start of the Bush presidency, 2.8 million manufacturing jobs have been lost in the US. Skilled technical and service jobs are also being transferred to low-wage economies. Work such as computer programming and servicing, insurance, call centre work, etc. are all being moved from the metropolitan countries to the low-wage ones. All this is contributing to the present weakness of the workers' response to the capitalist attacks in the metropolitan countries. The texts on the British postal workers and the Italian pension struggles in this edition illustrate this. In addition, the trade unions further isolate workers leading struggles to demoralisation and defeat.

In the peripheral countries, where the numbers of the working class are growing, the situation is different but not necessarily better. In these countries, there is no let up in the process of transferring assets to international capital and national enslavement to finance capital through debt. Explosive revolts against the effects of this process, which occur periodically, such as that which occurred in Argentina in 2001, have broken out again, this time in Bolivia. Bolivia, the poorest country in Latin America, was recently found to have the largest natural gas deposits in the continent. In a short time international capital, in the shape of British Gas, Exxon, BP and a Spanish company got a contract to exploit the gas and transfer it to the US. It is to go via a pipeline through Chile, which is to cost \$5bn. The funds for the pipeline have raised internationally by finance capital. Bolivians, who are themselves facing fuel shortages, began to protest. The protest escalated violently, leading to the overthrow of the president, the temporary suspension of the pipeline and 67 deaths. As in the case of Argentina, these protests were interclassist and without a clear social objective and will be contained by capital. We have seen this in the case

Iraq

US Imperialism Bogged Down on the Road to El Dorado

In the six months since it captured Baghdad the US has encountered much more resistance than the Pentagon planners expected and it is now freely admitted that it faces a guerrilla war that could last years. The seriousness of the difficulties the US is facing is indicated by its return to the UN for a fresh resolution and the continued infighting in the Bush junta. In the longer term, the massive US military and economic resources will prevail. The only thing which could prevent this and turn Iraq into another Vietnam would be for a rival power to support the resistance. That this is highly unlikely at present is confirmed by the unanimous vote for the latest US resolution in UN security council. US rivals will, however, continue to try and frustrate US plans, and the fat

dividends which US imperialism hoped to bring back from Iraq will be much more expensive to get hold of than they expected.

During the summer, the US finally recognised that Iraqi oil revenues would not be able to pay anything to either the occupation costs or the reconstruction of the country for a matter of years — not the months previously assumed. They also realised that US troops would need to remain in Iraq for a similar time span. This, in turn, led Washington to two conclusions. The first is that the US would have to provide interim finance for both the occupation and the reconstruction, though they still hope that their allies and even their rivals will provide some of the reconstruction loans. The second is that they need more troops to bring the country under control and retain the ability to continue with their plan of reshaping the Middle East by force. The October resolution at the UN was directed at achieving legitimisation of the US position to bring in both foreign finance and foreign troops. The unanimous resolution which the US achieved after months of threats appears to give the US what it wants, though it does tie the US to further reporting to the UN and possibly further resolutions. It is, however, uncertain whether this resolution will deliver the funds and troops required. Almost immediately after they voted for the resolution, the main rivals of the US, France, Germany and Russia, announced that they did not agree with it and would not be providing funds or troops. They thereby did their best to undermine the effect of the resolution while formally supporting it!

As we stated in RP 29,

The US is today maintaining its economic privileges by military power because these privileges could not be maintained by economic power alone.

The US is today preparing to loot the riches of Iraq and certainly could not have got itself into the position from which to do this without the use of military force. However, the fact that it is unable to carry out its plans unilaterally is an indication of weakness, an indication which its rivals are trying to exploit. As we have pointed out in previous texts¹, France, Germany, Russia and China all have large oil concessions in Iraq for which they paid billions of dollars, and the first three are also owed billions by Iraq. The US has, by force of arms, overturned the positions these countries occupied and they stand to lose all they put into Iraq. It was, in fact, one of the aims of the US invasion to exclude its rivals from the area and establish itself as the unquestioned hegemon of the Middle East, deciding who gets what. The US's rivals are, of course, trying to undermine the US position by arguing for a rapid handover to an Iraqi regime which will they hope be too weak to repudiate their claims. What the US rivals are really demanding is a share of the spoils. The solemn speeches of our leaders about Iraqi sovereignty, freedom, democracy and so on are just the language they use to camouflage their naked imperialist intentions.

US economic and political setbacks

In September the US administration asked Congress to provide it with a further \$87bn of additional funding for the wars in Iraq and Afghanistan. This sum is to cover the expenditure in 2004 and is additional to the \$79bn granted in April. These sums are both additional to the defence budget which is approximately \$400bn annually. Of the sum requested, \$51bn, or \$4bn per month, is to cover the military costs of keeping US troops in Iraq, and \$20bn is for reconstruction of the economy. Even for the US, these are enormous amounts of money and the rate of spending is starting to approach that of the Vietnam war. This is causing

Editorial

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of Argentina, where the violent upheavals of two years ago have given way to austerity and pauperisation while a new \$12.5bn loan has just been agreed with the IMF. This loan can only increase Argentina's debt peonage and the intolerable burden of repayment which falls on the Argentinean workers. Whilst the explosion of revolt shows the anger and desperation of the population in many of the peripheral countries, such explosions cannot find a way out of the cataclysmic social situation which exists. The only way forward is to return to the struggle of class against class and link it with the struggles of the metropolitan workers. For this to occur, greater political consciousness and political organisation is required. The formation of an international political organisation of the working class is now a priority. The International Bureau for the Revolutionary Party, of which the CWO is a member, exists to bring this about.

unease amongst the US capitalist class who had been assured that Iraqi oil riches, which were estimated as capable of providing between \$25bn and \$50bn annually,² could be used to pay these costs. However, to realise such an income, oil production will need to be increased to at least seven million barrels per day (mbd) which is over ten times present production. This is at least five years away and, if the guerrilla war continues, it may be decades away. The US is, therefore, having to advance the capital itself, though they hope to recover it once they have developed the oil resources. This has been made explicit by the vote in the US Senate to convert part of the reconstruction funds into a formal loan. The fact that the US is itself using the funds to award contracts to its own capitalists and that there is no sovereign government to contract the loan are mere formalities.

The US is, however, very concerned that the repayments and dividends from this adventure are all in the distant future. In a conference in Madrid at the end of October it tried to get its allies, the International Financial Institutions (IFIs) and even its rivals to contribute grants or loans. It hoped to raise \$36bn to be spent over 4 years, but only \$13bn was pledged and this was in loans not grants. This will add to the massive Iraqi debt of \$130bn which the US wants to be forgiven. It is important for the US that this debt is reduced. If it is not, the fat dividends they expect from Iraq are even longer in arriving. Although US clients Saudi Arabia and Kuwait pledged to consider debt forgiveness, the net effect of these new loans will be to complicate the US task of getting the debt forgiven. The opponents of the war contributed nothing. Clearly significant additional funds will have to be provided by the US itself. At present, the US has a federal budget deficit of \$500bn, or 5% of GDP, and with the Bush tax cuts of \$1600bn over ten years, this deficit is bound to rise above the present record figure. The ultimate aim of the war was to alleviate the US economic crisis; however, for the medium term it will achieve precisely the opposite effect.

On the political front things have been little better. The political justification for the war, the famous weapons of

mass destruction (WMD) do not appear to exist. 1200 experts scouring the country for six months have found no trace of them. In addition Wolfowitz, one of the architects of the war, admitted in an interview with the magazine *Vanity Fair* that WMD were,

*a bureaucratic pretext which hid other core motives for the war.*³

The main reason given for the war has virtually collapsed.

Within Iraq itself, the resistance to US forces and Iraqi collaborators is extending from the central Sunni areas to Shia areas. Some of the most powerful Shia clerics oppose the occupation authority (CPA). One of these, Sistani, has issued an edict, or fatwa, declaring that the new constitution could only be written by



That's what they thought

an elected authority. The US, of course, intends to get its appointees to write the constitution so it can determine what it contains. Another cleric, Sadr, has formed an alternative Iraqi government to the US appointed Governing Council (IGC). Both of these are direct political challenges to the occupation authority. At the same time, the CPA has made the IGC's position difficult by refusing to pass real power to it and simply using it as a mouthpiece. Mr Othman, one of the US appointees commented,

The Council does not have much power ... we will be seen by Iraqis as puppets.

He went on to say that even when the IGC disagreed with the CPA decisions the latter took no notice. He cited the CPA decision to send 30 000 Iraqi police to Jordan for training at a cost of \$1.3bn. This he said was quite unnecessary and was to repay Jordan for the support given to the US during the war. In regard to the reconstruction he remarked,

*The US Congress is supposed to give \$20bn to Iraq but Iraqis have no say over how it is spent.*⁴

The real problem for the US in its attempts to control Iraq is its shortage of troops. A senior US general estimates that a further 50 000 troops are needed. The US's attempts to mobilise troops from its clients have had limited success and, where troops have been forthcoming, it is only because the US pays the bills. Poland, for example, was given £230 million to send troops. Similar arrangements were made with Ukraine and other contributors. The most blatant bribe for the sending of foreign troops occurred in the case of Turkey, which was granted an \$8.5bn loan provided it "cooperated with the US over Iraq." This apparently meant the provision of 10 000 troops, which its parliament subsequently agreed to. However, the CPA does not appear to have bothered to consult its placemen in the IGC before arranging this. The prospect of Turkish troops returning to Iraq, which they had occupied for a period of 400 years until expelled by the British in 1917, produced furious protest from the IGC. Key Kurdish appointees in the IGC have threatened to resign if the deployment goes ahead. Turkey, of course, has its own agenda in Kurdistan and the introduction of Turkish troops will turn the Kurds, who are the only group still broadly supporting the occupation, against the US. Whether or not Turkish troops come or not this incident is more than a blunder. It illustrates the ignorance and arrogance of the CPA, both of which have been its distinguishing features from the start.

The US has blamed its setbacks on Syria and Iran and is threatening both countries. Syria is about to have US sanctions imposed on it and has suffered an attack, deep inside the country, carried out by the Israeli air force with the clear approval of the US. Iran, meanwhile, is under pressure from the International Atomic Energy Association (IAEA) to sign additional protocols to the non-proliferation treaty or face the consequences. Both countries have been accused of interfering in Iraq and developing weapons of mass destruction. At the same time, Israel continues to build its apartheid wall and new settlements in the West Bank and Gaza. It has carried out major raids into Gaza refugee camps demolishing homes and killing

civilians and numerous other atrocities, all the while continuing to assassinate leaders of the resistance. All this has ensured the collapse of the road map for peace. Although the US is now bogged down in Iraq, its grand plan for remaking the Middle East as a series of client states remains intact. Extension of war and occupation to Iraq's neighbours remains a possibility in the medium term.

Within the US itself, opposition to the war is growing. An organisation called "Military Families Speak Out" has staged protests outside Bush's ranch. Many of the soldiers in Iraq are reservists who, in theory, should only be mobilised in national emergencies. But, because these soldiers are cheap compared with the permanent forces, they are being used more frequently than ever before. This is now the ninth time they have been mobilised since the Gulf War! Just as capitalist industry now relies on an ever-increasing number of part-time workers, so it is with the military. For many reservists, their low income in the military is causing real hardship for their families. Since the war has not been the quick in and out promised this is causing great resentment. In addition the US proposes making the situation worse by reducing the pittance they are paid from \$225 per month to \$150. In addition the Pentagon proposes cutting \$1.8bn from veteran's health benefits annually. These cuts, when compared with the \$1600bn tax cuts for the richest 1% of Americans, show how little the US really values its workers in uniform. A founder of the "Military Families Speak Out" organisation, Charlie Richardson said,

Many people supported this war at the beginning because they believed the threat from WMD and accepted the link between Saddam and Al Qaeda now feel they have been duped.⁵

It is clear that we are seeing the beginnings of an anti-war movement which will become stronger as the occupation extends and the death toll mounts.

Economic motives for war – exploitation and looting

The CWO has argued from the start of the Iraq crisis that the US invasion was an imperialist move directed principally at the US main rivals, the Europeans, Russia, China and Japan. We recognised this war as a significant escalation of US imperialism reflecting

the changed world situation which has emerged since the collapse of the Russian bloc in 1991. This war is unlike the Korean or Vietnam wars where the US was acting as the leader of its bloc against the rival Russian bloc. The present war is the US asserting the primacy of its interests against everyone else, including its auxiliaries such as the UK. It is therefore similar to the US interventions in Central and Southern America such as the recent invasions of Grenada or Panama. It is for this reason that we described the policy behind this new phase of US imperialism as the Monroe doctrine with the Roosevelt corollary, but applied worldwide. The global position to which the US capitalist class aspire is elaborated by the publications of the



Carbombs and other resistance mean that the costs are higher and the rewards are lower for US and British imperialism

US think tank the "Project for the New American Century" (PNAC) to which many of the leading members of the Bush junta belong. The new *Pax Americana*, which echoes the *Pax Romanum* of the Roman empire, envisages an empire in which,

No advanced industrial nation challenges US leadership or even aspires to a larger regional or global role.⁶

Imperialism is ultimately an expression of economic interests and US imperialism is no different from those which have preceded it. The International Bureau for the Revolutionary Party (IBRP)⁷ to which the CWO belongs, has argued that the central problem of capitalism is the tendency of the rate of profit to fall which produces crises demanding continual reorganisation of the economy and cheaper raw materials and cheaper labour power. This leads to a struggle for control of the areas of the world where these are available, which is translated into a military struggle for strategic positions from which to protect capital abroad and

threaten rivals. The US ruling class through the publications of the PNAC, mentioned above, state nothing less than this. We have argued that the occupation of Iraq, like that of Afghanistan, is fundamentally to control the oil of the Middle East and Caspian basin and to sustain the role of the dollar as the currency of world trade.⁸ The US bourgeoisie intends to offset its economic crisis by turning what is potentially one of the richest countries on Earth into its client, thereby gaining guaranteed oil supplies, the profits of oil sales and a captive market for its industry. Control of the Middle East will give the US control of the energy supplies to its rivals, the strategic implications of which are obvious.

During the last three months the actions of the Occupation Authority (PPA) have clearly shown that these intentions are starting to be put into effect. We can clearly see this in the privatisation plans which were announced in September. All Iraqi state assets except oil are to be sold off. As an incentive, the occupation authority has introduced new laws on taxation and ownership. Whereas Iraqi law previously restricted foreign ownership of Iraqi enterprises to 49%, the new laws allow 100% ownership. Corporate income tax is to be reduced to 15% and import tax to 5%. The CPA is looking to eastern Europe for the model for this privatisation and in late September brought a group of the architects of Eastern Europe's privatisations to Baghdad for a conference. The intention is clearly to transfer the most profitable sections of Iraqi capital to the US capitalist class at rock bottom prices.

The oil itself is also to be privatised, but because of the sensitivity of this issue this is to occur after an election so that it has some sense of legality. Iraq's Governing Council oil minister, Bahr al Aloum, who is a US-trained engineer and who spent the last eleven years living in London before being brought back by the US, announced this in early September. He also stated that the priority for involvement in the oil sector would be given to US companies. Privatisation, he explained, would begin with the refining industry and then proceed to extraction. It is interesting to note that he admitted that these plans had been discussed with the US state department in October 2002, some 6 months before the war started.⁹

The reconstruction work is treated by the US as a handout to US companies. All new medical equipment, for example, has to be bought from US companies. Haliburton, a company intimately connected with top figures in the Bush junta, has been awarded a \$1bn contract to carry out work in the oil sector and to build military bases and logistics for the US forces. The building of US military bases is, of course, a priority for Iraqi reconstruction! These contracts are ill defined and ultimately are awarded on a cost plus profits basis. The occupation Authority has now to award \$20bn of reconstruction contracts in the coming year which will all go to US companies. This amounts to a massive captive market for US capital. From the narrow viewpoint of bourgeois economics the war is providing the US with sources of raw materials, markets for its commodities, capital assets at cheap prices and a theatre of investment with minimal taxation. From a Marxist perspective, it needs to be noted that privatisation of state assets always represents a devaluation of capital values and is one of the principal ways of restoring profit rates.

Although we are obviously not claiming that the US occupation of Iraq will be sufficient to restore the health of US capital, the economic motives for the invasion are clearly visible in what has been outlined above. Some organisations of the communist left deny that the war and occupation is about oil or indeed has any economic basis at all. For the International Communist Current (ICC), the war is an expression of the decomposition of capitalist society and has no economic rationality whatsoever. For the ICC, the problems of capitalism are as outlined by Rosa Luxemburg, namely the absence of sufficient non-capitalist markets for capitalist commodities. According to this theory all the surplus value destined for conversion into fresh capital needs to be realised in non-capitalist

markets. Iraq is certainly not going to provide any non-capitalist markets to rescue US capitalism. Hence, for the ICC, the war is mysterious and utterly irrational economically. The question of why 150 000 US troops are encamped in Iraq over the world's second largest oil deposits and not in the wastes of Tierra del Fuego still needs to be answered. The ICC maintains this is for strategic reasons. However, as we have pointed out previously, strategic reasons are no more than long term economic reasons. In a recent publication, the ICC repeat their assertion that in the period of decadence wars are irrational.¹⁰ Wars, we are told, had economic rationality in the 19th century, but from 1914 they became irrational. We have shown the anti-Marxist nature of these assertions in RP 24¹¹, and, in particular, we showed how the ICC's rejection of the Marxist thesis that it is the infrastructure of society which determines the superstructure is leading them to the idealist position namely that it is the superstructure which determines the infrastructure.¹² This is a rejection of one of the basic tenets of Marxism. We repeat that it is up to the ICC to demonstrate theoretically how it is that the previously accepted canons of Marxism no longer apply if they are to continue with these assertions.

The ICC's assertions are, in fact, contradictory, since the strategic reasons for the war, which they advance, such as cutting oil supplies to Europe and Japan, are clearly for the economic benefit of the US capitalist class. The war, therefore, does have an economic rationality and this is related to oil just as the IBRP has maintained throughout.

Stop the War Coalition – supporter of capitalist reaction

As we have argued above, the war is a product of the capitalist system of production. Its prosecution can only benefit the capitalist class, while it is the working class which will be forced to do the fighting and to pay the enormous costs of both the war and the occupation. In addition, this war, like all capitalist wars, divides the working class as sections of the class fight each other on behalf of their capitalist masters. The working class has no interest in fighting this war. The only war which the working class has an interest in fighting is the class war. Workers should struggle for the ending of the occupation, fight additional taxes introduced to pay for the war and struggle to weaken and undermine the British war effort. As we have pointed out in previous texts, the most effective



*Stop the War Coalition lobby of the Labour Party Conference in Bournemouth
Seeking to reform a capitalist party, rather than expose it, is symptomatic of the capitalist policies of the
Coalition*

way of doing this is to continue the class struggle at home. This remains the best way of disrupting our rulers' wars.

The anti-War Coalition completely rejects the positions outlined above. On the contrary it supports the view that our leaders can be made to see the wickedness of their ways and return to the paths of peace. By pretending that peace can come through a change of heart of our rulers, the coalition reveal themselves as part of capitalist machinery, the part which argues for reform. The dream of a war-free capitalism is nonsense. The choice is not between war and peace, it is between imperialist war and class war. The actual role which the coalition performs for capitalism in preventing real opposition to the capitalist system was made clear in the most recent demonstration organised by the coalition, that of 27th September.

Many people who came into the anti-war movement thought that the government would not invade another country if enough people demonstrated their opposition. This belief was cruelly shattered by the March invasion. A further eye-opener was provided by the savage barbarity of the invasion. The government, which had pontificated about the immorality of weapons of mass destruction, did not hesitate to use napalm, cluster bombs, daisy cutters, massive ordnance air blast (MOAB) weapons, etc., to incinerate and cut to pieces both soldiers and civilians. It also threatened to use tactical nuclear weapons, the very weapons we were supposed to be going to war to eliminate. Once the war was won the tissue of lies which was used to justify the war started to unravel and the real, sordid reasons for the war began to be exposed in the bourgeois press and the Hutton Enquiry. It was at this point that the demonstration of 27th September was called.

The fundamental questions these events have posed are firstly, why did the invasion take place, and, secondly, how can future wars be avoided. Any serious consideration of these questions will lead to questions about the nature of capitalist society and the need for its replacement. Instead of turning the anger and questioning of many of the demonstrators to the fundamental issues behind the war, the coalition directed their anger towards the Labour Party conference which was to assemble the following day. The

slogans on many of the banners said it all, "Blair must go", "Bliar", etc. Speakers from the platform, who included Labour and ex-Labour luminaries, Tony Benn, Galloway, Livingstone together with trade union leaders called for reforms in the Labour party, moving it to the left, etc. One speaker even called for demonstrators to join the Labour Party. All that was necessary, he explained, was to remove the liars and killers who were running the party and then it could serve our interests again. The fact that it was the Labour Party which took us into the war made no difference. The most urgent task, we were told, was to reform the party. In fact the Labour Party has always supported the interests of British capitalism. It has supported all the major wars which Britain has fought since the party was formed, in particular the butcheries of the first and second world wars, and was the party which developed the British nuclear bomb. The fact that it is led by liars and killers is not, of course, accidental. Rather it is an expression of its capitalism nature. It expresses the fact that these are the type of leaders that capitalism needs today at this stage of its economic crisis. The Labour party is an integral part of the capitalist class' political machinery and a very good defender of British imperialism. The call for a return to the Labour Party is simply a call for demonstrators to return to the politics of the capitalist class who unleashed this war.

This call was extended by the speakers who spoke on Palestine to include support for the capitalist class overseas. Speaker after speaker listed the crimes committed by the Israeli state, against the Palestinians and urged the demonstrators to support the construction of Palestinian state. While in Britain we were urged to support the representatives of the British capitalist class, abroad we were asked to support the Palestinian capitalist class. To add the final ingredient to this cocktail of reaction several Muslim clerics were given the platform and cries of "Allah akhbar" resounded through the loudspeakers across Trafalgar square. All this sickening display of capitalist politics was introduced and administered by the organisers of the "Stop the War Coalition", including the Socialist Workers Party, without a murmur of criticism. So much for, amongst other things, the Marxist

criticism of religion as a tool of class oppression.

The truth is that the British ruling class is seriously divided over this war¹³ and the anti-war movement is being used to channel popular dissent towards the forces of capitalism's left wing. The demonstration of 27th September is just another example of the valuable work which the so-called left does for capitalism. The energy, anger and questioning of people who become revolted by the hypocrisy and barbarity of capitalist society are deflected into harmless channels of reformism, of support for the left wing of capitalism, and here this energy can be harmlessly dissipated.

We urge those who understand that the causes of the war spring from capitalism itself to join us and help to lay the basis for the only struggle which can solve the problems we face. This struggle is the one to replace capitalism with a more advanced form of society. By this we mean a society where the means of production are socially owned and production is for need. A society where humanity can finally cooperate in producing what they require from nature. This society, which has no connection with the state capitalism which existed in Russia, we call communism.

CP

Notes

- 1 See RP 27 "Countdown to war with Iraq"
- 2 See *Financial Times* 2/9/03 Report by Wood Mackenzie oil consultancy.
- 3 *Financial Times* 13/8/03 "The real target of the war in Iraq was Saudi Arabia"
- 4 See *Independent* 8/10/03 "Iraqi leader attacks US plans over Turkish troops"
- 5 Reported in *Independent* 20/09/03
- 6 PNAC document by Wolfowitz and Libby
- 7 The IBRP publishes *Internationalist Communist*
- 8 See RP 27 "Occupation and Exploitation."
- 9 *Financial Times* 5/9/03 "Minister sets out timetable for Iraqi oil privatisation"
- 10 See *International Review* 113 "Resolution on the international situation."
- 11 See RP 24 "War and the ICC"
- 12 In IR 114 "Reality of economic prosperity" the ICC claim the bourgeoisie is able to manipulate the law of value in order to ensure its survival. Again the superstructure is determining the infrastructure.
- 13 See "Hutton Enquiry Shows Widening Splits in the British Ruling Class" in this issue

Hutton Enquiry Shows Widening Splits in the British Ruling Class

The Hutton enquiry, which was supposed to be investigating the suicide of a government weapons scientist, was really an attempt to avoid a full enquiry into why the government took us to war with Iraq. However, despite its limited scope, this enquiry has turned a spotlight on the real divisions which exist amongst the capitalist class over the direction which British imperialism should take. While the enquiry proceeded with its daily revelations in court, its documents published on the internet and the endless commentaries of experts and journalists, the real situation of British imperialism formed a sobering backdrop to the show. Two facts only need to be mentioned to understand the concern amongst the ruling class about what is happening. The first is that 5000 additional troops have had to be sent to Iraq, bringing the total to 15 000, and the second is that the occupation will cost an extra £2bn per year.

Although Blair and his advisers set up this enquiry, like the two parliamentary ones which preceded it, with the intention of throwing their enemies off the scent, a partial exposure of the lies and hypocrisy, which were used to disguise the sordid reasons for this war, has taken place. This has led to the extraordinary spectacle of Blair's own ex-cabinet colleagues calling him a liar and a deceiver of parliament and the nation. Some have pressed home the attack in a way that indicates that the Iraq adventure could well be the downfall of Blair. Robin Cook, ex-foreign secretary, seized on the parliamentary report of the "Intelligence and Security Committee" to point out that all the reasons given for the war were now either proved to be untrue or the opposite of what was alleged. Blair, he pointed out, had known many of the things he solemnly warned about were totally contrary to the advice he was being given by British

intelligence. The real reason for which we were taken to war, he suggested, was to impress the US¹. Behind this criticism is the unspoken criticism we have gained nothing from this and British imperialism would be better served by a more pro-European course. Another ex-cabinet minister, Michael Meacher, goes even further. He claims, quite correctly, that the entire war on terror is a smokescreen behind which the US is pursuing its imperialist strategy outlined by the publications of the "Project for the New American Century" (PNAC). This strategy demands control of the Persian Gulf and its hydrocarbon resources. He claims further that the attacks of 9/11 were a pretext for launching this new phase of US imperialism and that US knew perfectly well the attacks were about to happen. He argues, again correctly, that, as in the case of Pearl Harbour, the US needed an emotional shock which could draw the people behind a new aggressive policy. The British government has, he maintains, gone along with the US as it hopes for a share of the oil². Such criticisms are not limited to disgruntled ex-ministers who have fallen foul of the Blair cabal. Senior Conservative politicians such as Ken Clarke and Heseltine have also expressed their total opposition to the war.

The fault line in the British ruling class

The real decision facing the British ruling class is whether it should attach itself to US imperialism or the emerging European imperialist bloc. Should Britain remain the satrap of US imperialism receiving a ration of crumbs from its master's table or should it move into opposition to the US and join the EU bloc where it would gain a bigger share but at a smaller table? This is the same issue which lies

behind the rows over membership of the euro, European defence, European foreign policy, the new EU constitution, etc. This has split the British bourgeoisie into two broad factions which do not conform to the present configuration of political parties.

The Blair group thinks it can keep a foot in both camps and straddle the Atlantic as a sort of a bridge. The recent row over European defence has shown how untenable this position is. On the one hand, Britain infuriated France and Germany by its support for the US over the Iraq invasion, while, on the other, it infuriated the US by its support for a European defence force separate from NATO. The US demanded an explanation.

The UK has been assuring us for months that they are against this and that it is going nowhere. Then all of a sudden Blair goes to Berlin and the perception here is, after Iraq he had to make nice and got wobbly on us.³

The US called an extraordinary meeting of NATO to challenge the new security and defence policy of the EU. It was left to the foreign secretary, Jack Straw, after Tony Blair has suffered a heart attack, to try and wriggle out of this one. He professed undying love for NATO and said the new force would not have a separate planning headquarters from NATO. Unfortunately, despite Straw's assurances, the French/German group said there would be a separate planning headquarters. It is clear that the US aim is to keep the European nations divided so that they can be controlled and so that the US can pick and choose allies from them to form the famous "coalitions of the willing." As far as the US is concerned, the role of the UK is to ensure that this happens and, specifically, to prevent the EU defence initiative, not support it. The Europeans, however, are determined to avoid any repeat of the humiliation which occurred over the

Iraq war. The mid-Atlantic position of the Blair group is becoming extremely uncomfortable.

A major section of the British ruling class now see the Blair cabal as a force opposing the best interests of British capitalism. They see these interests as being served better by a closer alliance with the French/German axis.

Blair remarked in a speech to the US congress when he was being feted in the US after the war, that,

A study of history provides us with little instruction for our present day. This is not simply Tony Blair showing his ignorance of history, it is him speaking for the whole bourgeois class. They can learn little from history since they cannot understand that its major force is the struggle of classes, which is derived from a division of economic interests. Under capitalism, it is derived from contradictory interests of the working class and the bourgeoisie and is spurred on by the contradictions of the capitalist system itself. Because the capitalist class cannot grasp the historically limited nature of the capitalist system, they imagine it is eternal and the major historical events are accidental interruptions on the glorious path of capitalist progress. This is, however, not the case. The continual instability of the capitalist economy is responsible for crises, for

imperialism and for wars. The wars which capitalism enters into, not only the two world wars of the 20th century, but also the Iraq war, express the contradictory nature of capitalism itself and the workings of imperialism.

When Blair laments that history cannot show him which way to turn he is expressing in an intellectual way untenable nature of his mid-Atlantic position. Dilemmas such as this are not, however, without precedent in recent history. One has only to think of the 1930's, when British imperialism was unsure whether to support German imperialism and turn Hitler against the Russian threat or to ally with the US, which was Britain's main rival, and annihilate its German competitor. The decision to ally with the US is still with us. What Blair is now being asked to do is to reverse this decision.

The splits in the ruling class are entirely over the way forward for British capitalism and ultimately these questions will determine the configuration of forces in the next major war to which imperialism is driving. For the working class these splits are irrelevant. The point is not to find the best way forward for imperialism, the point is to change the world which gives rise to crises, imperialism and war.

CP

Notes

1 See Robin Cook, *Independent* 12th September 2003, "This report finally demolishes the government's case for war"

2 See Michael Meacher, *Guardian*, 6th September 2003 "This war on terror is bogus"

3 Philip Gordon of the Brookings Institution. See *Financial Times*, 19th October 2003, "US dismay over Blair stance on EU defence."

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Israel/Palestine

Workers Begin To Act

Just like the Oslo Accords, the so called Road Map peace plan is now dead. Whereas Oslo withered on the vine for six years, the latest imperialist plan cobbled together by the US in April with support from the EU and Russia fell apart in just a few months. The Road Map envisaged the creation of a Palestinian state by 2005 and demanded the withdrawal of the Israeli army from the occupied territories, the cessation of Israeli settlement building and withdrawal from existing settlements. Like Oslo, thorny issues such as the status of Jerusalem and the return of Palestinian refugees were left as an open question. And also like Oslo, the Road Map collapsed because the Israeli regime has no intention of quitting the territories, and, as long as they remain there, Hamas *has no intention of reigning in its suicide bombers*.

As the Road Map was essentially a US initiative, it may be seen as surprising that the US has not exerted its influence to compel Israel to play ball, given that the Israeli economy is being propped up by American aid and loans. However, the reality is that, as far as the Americans are concerned, the Road Map was just a PR stunt aimed at neutralising the opposition of Arab states to the invasion of Iraq (as well as a sop to a puffed-up Tony Blair, who was desperate to demonstrate some positive development in order to justify the UK's support for the Iraq adventure). Whilst the ongoing Israel/Palestine conflict does not advance the interests of US imperialism, America's main priority is to ensure that Israel remains its most steadfast ally and policeman in the region. This overarching policy imperative coupled with a powerful pro-Zionist lobby containing an unlikely alliance of Jewish groups (traditionally more

influential over the Democrats) and Republican-supporting Christian fundamentalists, ensures that the US has little will to seriously discipline Israel beyond the occasional verbal rebuke.

Given what is effectively unconditional US support, the most hawkish faction of the Israeli bourgeoisie led by Ariel Sharon and the Likud party are emboldened to carry out the most blatant acts of terror, repression and grand larceny against the Palestinian population in the occupied territories, without any concern for the condemnation of the rest of the world. It is almost breathtaking how Israel is able to violate all the norms of bourgeois legality with impunity, although this is no more so than the manner in which the US and Britain chose to overrun Iraq in order to loot its oil reserves. In the last few weeks, Israel's actions have included threats the kill Arafat, the internationally recognised President of the so-called Palestine National Authority, the launching of a massive punitive house

Israeli army has cut off many Palestinian farmers from their fields, further weakening the already devastated economy and allowing the Israelis to seize this land without compensation.

Perhaps most seriously from an international perspective, the Israelis launched an air attack deep into Syrian territory to bomb an alleged terrorist training camp. This was the first such raid into Syrian territory for 30 years and it was wholly sanctioned by Bush who stated that Israel should not be "constrained" in its fight against terrorism. The US also moved swiftly to block Syria's request for a UN resolution condemning the incursion. This act of war against a sovereign state is not inconsistent with American interests. Statements by the Bush regime that Syria is supporting Iraqi pro-Saddam factions are part of the US propaganda war which aims to provide a justification for military action against Syria if necessary. If Israel were to spearhead any concerted military campaign against Syria or to provoke Syria into a war it is unlikely to win, it would be far more convenient for America than a direct American intervention. Similarly there is speculation that Israel could be planning air strikes against Iranian nuclear facilities. Clearly this would also be in US interests as Bush regards Iran as a party to the infamous "axis of evil". The US cannot attack Iran without causing a major international diplomatic upheaval which may rebound on the Bush regime. Far better to have the job done by its wayward stooge Israel which seems to relish



Oslo agreement, the "Road Map" and whatever new name the next capitalist pretence at a solution to the Israel/Palestine conflict carries, will not bring a real solution closer. And in the meantime, Israel will continue to demolish Palestine homes, and Israeli and Palestinian workers will continue to kill each other.

demolition leaving 1200 people homeless in the Rafah refugee camp in the Gaza strip, and the ongoing construction of a "security fence" around the West Bank designed to keep the Palestinians out of Israel. The route of the fence which is determined by the

international disapprobation. However, by upping the ante in this way, the US and Israel are playing a dangerous game which could result in a major regional conflagration, the

consequences of which can only be a matter of speculation.

Imperialist Terror or Class Struggle

Three years of *Intifada* has cost Israel dearly in economic terms. Its important tourist industry has been decimated and military costs are escalating. This has brought about the worst recession for 50 years, bringing the economy to the verge of bankruptcy. Earlier in the year, the US agreed a \$10 billion (£6.3bn) package of loan guarantees and military aid, but only on condition that the Israeli state implements an austerity package of £1.5 billion worth of public expenditure cuts. Like anywhere else in the world, these cuts have been targeted directly at the working class with cuts in benefits, education and a Thatcherite privatisation program. The scale of the crisis is so great that finance minister Netanyahu even drew up substantial cuts in military expenditure which was subsequently scaled back by Sharon and will be paid for with further cuts in public services. Significantly the working class has not passively accepted the austerity programme. In May, about 700 000 public sector workers went on strike against the cuts, shutting down airports, ports and government offices. At the end of September, the workers at Israel's three seaports Haifa, Ashdod and Eilat began a strike over privatisation which severely affected the economy to the extent that ministers considered a plan to break the strike by using ports in Jordan and Egypt. The strike lasted for about ten days before the unions agreed a return to work pending further talks. It appears that these strikes have been firmly under the control of the Histadut labour federation which has close links to the opposition Labour Party. Like trade unions everywhere at this stage of capitalist development, they serve to dissipate workers militancy for the benefit of the state. However the fact that Israeli workers are prepared to defend their own interests against the state's calls for sacrifice and patriotism is a hopeful sign of things to come. There are other telling signs of dissent in Israeli society, such as the refusal of hundreds of army reservists to serve in the occupied territories. Recently 28 pilots in the

usually intensely loyal air force publicly declared their refusal to attack Palestinian towns. This has led to calls for the pilots to be dismissed and charged with mutiny.

On the face of it the arrogance and brutality of the Israeli state, goaded on by its US backer, seems unstoppable. Useless and improbable "peace deals" may be cobbled together ad nauseam but the only force capable of frustrating the state's imperialist ambitions is that of the working class acting in its own interests.

Nation or Class?

In this respect the news from the Israeli side of the class is currently more encouraging. This is not surprising. Can you imagine the fate of any group of Palestinian workers who tried to make a struggle in solidarity with their Israeli class brothers? Islamic Jihad, *Hamas* or Arafat's own *Al Aqsa* Martyrs Brigade would soon be round to pay them a visit. They would be regarded like British soldiers in the First World War who refused to fire on their class brothers in the German trenches — shot. This should pose a question for those who claim to be socialists and yet support the Palestinian Liberation Organisation. Yes, it is true that the oppression of the Palestinians is one of the most chronically appalling stories since the end of the Second World War but who is being oppressed and who is being supported? A Palestinian worker, if they have a job will be living somewhere outside the territories usually in another Arab state and paying a levy to the PLO. Those who live in the West bank and Gaza are generally unemployed as a result of the *intifada* since they used to find employment in Israel. When the Stop the War coalition invites "a Palestinian" to speak it is not a representative of the working class but of their exploiters in the PLO who gets up in the platform. The issue of class is left out of the question since the implicit view of the Left is that there are oppressed and oppressing nations. But this is not the nineteenth century. There are no longer any progressive national struggles to support today. The Left in the metropolitan countries (any more than the imperialist power brokers) cannot even agree on what is the national solution for Palestine/Israel. Some call for a two-nation solution, some for a one-nation solution

(which at least sees the workers of the area under one entity) but both of these are equally utopian. As long as capitalism exists, there is no solution to the problem in the area. As we said at the beginning, Camp David Agreements, Oslo Accords and Bush "Road Maps" have all gone the same way — into the dustbin of history. The only solution to the barbarism in Palestine is the destruction of all the existing capitalist states. And the only force capable of doing that is the international working class — the workers of Israel and Palestine cannot do it on their own.

PBD

The Spectre of Class Struggle?

The postal workers and that ballot

In some ways the recent vote by postal workers against a strike was not very surprising. Like many workers in other sectors, they are facing the same insecurities brought with the imposition of restructuring. They had been told that, if they struck, their jobs would be on the line, that the Post Office's losses were too great to bear, and that rival distributors were waiting to step in and undercut the service and that job losses would result. There is also no doubt that the defeat of the firefighters' strike did much to undermine their confidence. Nevertheless, the vote against strike action was extremely close, with the majority voting against a series of walkouts being less than 2000. In the end, the vote was 46 391 for action and 48 038 against. The Royal Mail was offering a 3% rise with a further 10% by December dependent, of course, on increased productivity, which will also inevitably involve the reduction of the labour force and mean increased work for those remaining. As the deal also looks likely to include dropping the second delivery, the service will become less useful which again threatens its future.

Yet the vote against action should not be taken as an indication that the anger that created the recent small upsurge in class struggle has disappeared. Far from it. Some 25 000 of the 88 000 postal workers in London have already held a one-day strike to get their London allowances increased to £4000. Further strikes in all London boroughs are due to be held at the same time as action by council workers who are also fighting for increased London weighting. The militant mood growing in London has been recognised by the unions who have formed the London Public Sector Alliance to coordinate action. Other unions include the RMT rail union, NATFHE and the National Union of Teachers, Unison and the Fire

Brigades Union. Both the GMB and the TGWU refused to take part.

On the face of it this seems like the new union militancy the media have been wringing their hands about: left-wing leaders pushing for strikes and linking up with other unions. But this is hardly borne out by the facts. Recently, the sycophantically pro-Blair CWU General Secretary Bob Keggie was booted out. Under him, this highly centralised union had managed to sign away the right to strike for two years as working conditions and real wages for postal workers continued to deteriorate. But was the new General Secretary, David War, any better? He was the one who called the national ballot but not with any great enthusiasm. In fact, little had changed in the CWU. Like all other unions in the London alliance, it had been pushed by the anger of its own members to (temporarily) abandon the negotiating tables. The CWU had done everything it could to avoid a national strike and is continuing to do everything it can to ensure that the changes related to restructuring the industry are introduced with as little disruption as possible. As one of its spokespeople said

There is no agreed process to deal with major change in the industry but the union remains committed to reaching a national settlement with Royal Mail which deals with all aspects of the challenges that face the industry and our members.

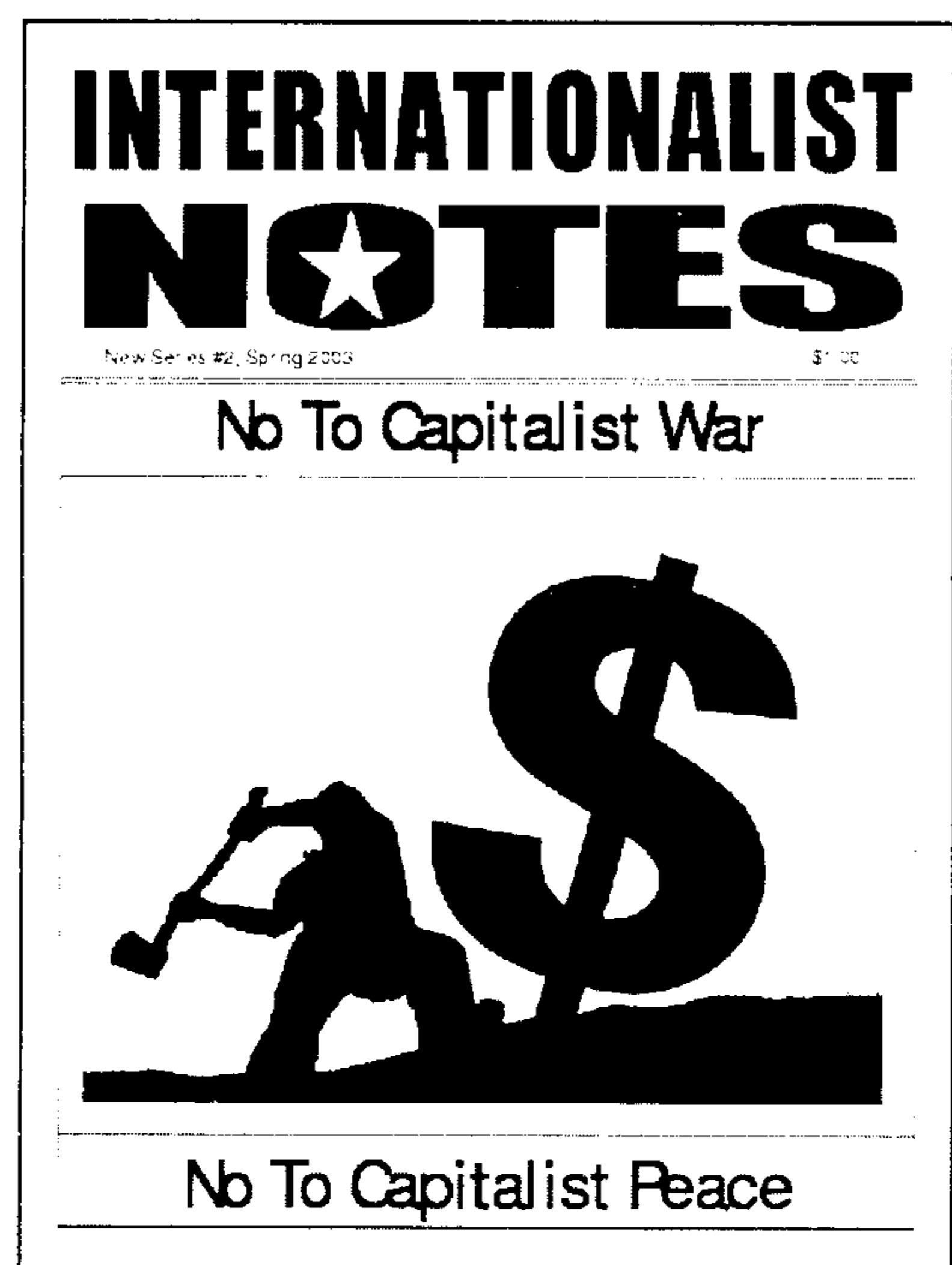
Quoted in the *Daily Express* September 18

The return of the wildcat strike?

The union, however, has been shaken by unofficial strikes which broke out recently amongst postal workers in Oxford, where walk-outs followed

management provocations. These spread to Headington and to Reading (for a hour or so) when the management tried to move the mail *via* other depots and solidarity action followed. Whilst we salute the tenacity and courage of these workers, the movement did not spread so it did not last. However, the simmering anger continues, and new wildcats cannot be discounted but these will only make the bosses sleep lightly in their beds if they take place across a range of workplaces. As the Oxfordshire episode shows, workers who find themselves isolated cannot persist with a struggle if they get no backing from further afield and the union leadership always moves to try to prevent this.

In London, the usual tactics of splitting up workers is still in force, even though London workers have a collective aim of getting a £4000 London weighting. Council workers have been holding one-day strikes over the last year and the most militant tactic the union has used so



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far has been to call out selected groups to strike for a week or more at a time. Of course this also leaves them isolated and vulnerable and causes resentment that they are losing money whilst other sections continue to work. Needless to say Unison, like the other unions in the Alliance, refuses to pay any strike pay. Those workers who have paid money for years into union accounts must wonder why they bothered.

In a sense they should not be surprised. The unions have always only existed to negotiate an acceptable deal for their members from capital's industries and service sectors, acceptable to the bosses as much as to their members. They have never been organisations for resisting capitalist exploitation. Today, they are part of the fabric of the capitalist state, and their task is to impose the needs of capital onto the working class and to manage class struggle. The newly formed Alliance between the London unions sounds like a promising break with the traditions of sectionalism of the past and a way of transcending sectional divisions. But it will also be divisive if only London workers are involved in solidarity. Widening the struggle is not the aim of the unions who have set it up. What it will try to do is limit the struggle to London and, in so doing, make its demands acceptable to the needs of capitalism. After all, the current imbalance in the country between London and elsewhere can only be addressed by finding a way to get more workers into the capital.

There is another way

It is no coincidence that all strikes controlled by the unions, whether those of the postal workers, council workers or firefighters, bitter though some of them have been, have all failed. Only those strikes which take place outside of union control have any chance of succeeding. The unofficial walkout by British Airways staff in July shows exactly what the working class can achieve if it acts outside of and against union control. Hundreds of workers walked out over the introduction of a swipe card system of electronic time keeping, but resentment had been building for some time. BA recently closed its pension scheme and the unions

recently agreed to a below-inflation pay rise after the announcement of profits of £125 million last year. Overtime payments have been curtailed and 13 000 jobs are set to be cut by the end of the year. Despite the fact the union took over negotiations at the end of the dispute, BA workers showed they were prepared to act quickly and collectively. The union worked frantically behind the scenes to get workers back to work. When Kevin Curran, GMB general secretary, stepped in his only demand was that the immediate threat of imposition of swipe cards was removed so that the table could be cleared to reach a settlement favourable to BA.

Let us take away the imposition and then we can talk about anything at all

he said. (Quoted in *The Guardian*, 29 July)

However, BA workers refused to be drawn into their union's divisive, delaying tactics and held fast to their unofficial dispute, forcing BA bosses to back down.

Service sector workers in London will be demoralised and worse off if they let their unions split them up and control their actions. Like the BA workers, they need to act outside of and against their unions. Setting up mass meetings of workers from different sectors and electing revocable delegates onto strike committees with the aim of spreading the strikes and coordinating them for the maximum impact will bring victory far quicker than months of demoralising token stoppages and endless conciliatory talks by the unions. BA workers have shown it can be done; if London workers want victory, they need to follow their lead. They should not put their faith on this or that "left" leader that has become General Secretary (like the former radical and saboteur of the Liverpool Dock Workers struggle "Sir" Bill Morris). Instead they should organise things for themselves. What we have seen over the last few months may only be a "spectre" of class struggle but who knows how far we are from the real thing?

RT

Trade Unions and Left-wing Leaders — an “Awkward” Problem for Workers

Television and the papers have been full of stories about the latest wave of left-wing Trade Union leaders. The group varies, but usually includes Bob Crow and Mick Rix from the Railway Unions, Tony Woodley of the T&G, Billy Hayes from the postal workers, Derek Simpson of Amicus and Mark Serwotka of the Civil Service Union. Andy Gilchrist of the Fire Brigades Union is sometimes still included but tends to drop off the list — hardly surprising since Gilchrist “led” his members in an extended isolated and sporadic series of strikes which culminated in a total and demoralising failure to meet the declared objectives. The press has nicknamed this group “the awkward squad”. The fiction which is peddled by both their supposed friends and foes is that the clique is an “awkward” problem confronting the bosses. In fact, they do, indeed, represent a significant part of the current left face of the Trade Unions (and partially of the whole Labour movement). As such they are actually an “awkward” obstacle standing in the way of any emerging working class consciousness or organisation.

Trade Unions – friend or foe for the working class?

Workers need to clearly understand the role of the Trade Unions and their left wing. That understanding stands in sharp contrast to the distortions that are presented by the political commentators both of the right and the left.

Trade Unions are portrayed by the controlling ideologues as being part of the mechanisms to defend the interests of people who work for a living. Like all the best mystifications, the argument is able to sustain itself because it has historic roots and is able to tap into both real and false memories.

Trade Unionism provided a way forward and method of organisation for workers in advanced capitalist countries during the decades when industrial capitalism was taking shape and preparing itself to dominate the planet. In common with the mass parties of Social Democracy which flourished as organs of the working class at the end of the 19th and start of the 20th century, the Trade Unions were **in a specific epoch** part of our tradition and development. They were tools for workers which were able to defend workers interests and win victories. Most significantly this was at a time when capitalism was still expanding. Victories were possible in situations where the capitalists were realising sufficient profit to allow part of the surplus to be returned to the workers from whom it had been extracted.

That relatively distant historic experience is the nugget of truth embedded in the mythology. The myth peddlers go on to deceive both themselves and others by refusing to accept the very different role that Trade Unions have played more recently. From the period around the First World War (1914-18) onwards, capitalism moved into a new epoch. That bloody epoch resulted in the 20th century seeing more deaths through war, famine and other human-made disasters than have taken place during all preceding human history. The period which was characterised by the leading Communist revolutionary, Lenin, as “Imperialism, the highest form of capitalism”. We often also refer to it as the period of “state monopoly capitalism”.

The history of the period is one of capitalist imperialism, now a world system, moving into immense economic crisis, followed by awful destructive wars on a huge scale (the World Wars of 1914-18 and 1939-45),

in turn followed by a period of reconstruction only to be followed by a return to crisis – a crisis essentially of capital not being able to generate enough profit to allow itself to develop. The latest world crisis of capitalist profitability, with periodic peaks and troughs, has continued unresolved for more than thirty years.

During the period of state monopoly capitalism, the organisations which had served the working class in earlier times have been transformed into tools which serve the capitalist class by helping to maintain the *status quo* between the two contending classes. Modern capitalism has developed a method of organisation, roughly described by the capitalists as “corporatism”, which has constructed a framework to incorporate Trade Unions (and indeed other layers such as academia or research institutes) into a way of working which is crucially and irreversibly incapable of challenging the ruling class order.

In the advanced capitalist countries, under most circumstances, the Trade Unions have long been the bosses’ preferred method for negotiating around wages and conditions. As part of that role, the Unions act as the mechanism for undercutting any moves towards working-class organisation beyond channels safe for the ruling class. They comply with capitalist order, for example by ensuring compliance with the law and establishing negotiating structures to destroy creativity and spontaneity. This process, of course, is not simply a feature of the Trade Union leadership but is also part of the underlying role of the Trade Unions down to the level of their members and the local Union “non-commissioned officers”, the shop stewards and branch officials.

The Unions shackle the working class and work to destroy class

consciousness not simply by channelling workers' grievances and militancy into safe channels, but also by compartmentalising workers according to the industries in which they happen to work at any given time and, in some cases, for example the RMT and ASLEF, even by the specific jobs they happen to do.

The "awkward" clique's role demystified

The left of the capitalist apparatus has a particular role in buttressing its power **against the interests of the working class**. It is a role that is particularly useful at moments in the class struggle when the ruling class needs ways and means of diverting emerging class militancy. In the situation where Trade Unions have found their place in imperialism's "corporate governance", their left wing parallels and overlaps with the left wing of the Social Democratic — in Britain, the Labour — parties.

In many circumstances, the bosses and their media will be content to boost the right wing in the Labour and Trade Union movement. The picture which is drawn is one of social peace and harmony mysteriously working for the benefit of all. The hidden reality, on the other hand, is a situation where the bosses strive to defend their rates of profit gleaned from the labour power of "their" workers, whether Trade Union members or not.

However, that particular arrangement is not always possible. When capitalist profits are particularly tight, in one area or another, it may not be possible to broker deals which match a picture of social harmony and mutual benefits. The other side of that coin is that the very nature of capitalism means that the working class, in its very essence, continues to hold within itself, and partially express in its organisation and activity, its historic destiny as the gravediggers of capitalism. As layers of the class move towards activity to defend themselves, the left wing of the Unions provide the biggest diversion to restrict and mislead militancy.

In Britain, and elsewhere in Europe, in recent years there has been a limited development of an intermittent and partial militancy. The rise of the Trade Union "awkward squad" is linked to that development. Unlike the picture peddled by the media, the Left Union leaders in no way lead militancy in a way which can threaten the bosses'

underlying interests. The reality of the role is that, at the very best, the leaders channel militancy into "a fair day's wage for a fair day's work". Against such an approach, working-class revolutionaries have recognised since the days of Marx that the only approach which points the way to a better future is the struggle to overthrow the power of capital. A simple and essential summation of the ending of capitalist class relations is our slogan of "Abolish the wages system" — a system which is the irreplaceable environment where Trades Unions of right and left ply their rotten trade.

This new Trade Union left has particularly chosen to lead its followers onto the poisoned terrain of advising the bosses' how best to organise modern capitalism.

The awkward clique, individually and collectively, have their background in Stalinism, Trotskyism and the 1945-1990 Labourist tradition of direct state ownership. That background involves state intervention being passed off as socialism, or at least as a significant step in that direction. It has provided an ideological foundation for a major part of their reactionary ideology. That advocacy of nationalised rather than "private" monopoly capital has particularly provided a common cause for the leftist organisations in which the Socialist Workers Party and its conjoined sibling the Socialist Alliance are the current leading lights.

With their campaigns in favour of nationalisation in the case of railways and other utilities the "awkward" clique show their own commitment to particular ways of organising capitalism. They also show their determination to pass off specific forms of capitalist domination as being a path down which their followers need to be led.

It is no accident that the awkward squad's nationalisation agenda is one which overlaps and mirrors the platform which the left in the Labour Party may rally around. Just as the Trade Union lefts will find more prominence as and when it suits the ruling class, so the left in the Labour Party will reappear and be used to restore an illusion of choice and as a path to divert possible militancy or activism along routes which are safe for capitalism.

Trade Unionism or Class Struggle

The accompanying article in this edition, "The Spectre of Class Struggle?", reviews the recent experience around strikes by postal and airport workers and highlights the role of the Unions as shackles on workers' self-organisation and effectiveness. The left's adulation for their "awkward" pals again shows the distance between the needs of the working class and the recipes of the Stalinists, Trotskyists and left Labourists who draw their fat salaries from workers' subscriptions.

Contending for reforms and struggling for crumbs from the bosses' table provides no way forward for workers. Only working towards a generalised class consciousness and activity which will lead towards the overturning of capitalism can provide real hope of a better world. The historic experience of the working class — in particular the revolutionary wave which began in 1917 — has clarified the two essential tools in that future struggle for power.

An international revolutionary party bringing together the most advanced class militants is one of the prerequisites. The other tool is one which will develop organically in the course of the working class organising in its own interests and with a deepening consciousness. That essential weapon is the Soviets or workers' councils. These are class-wide organisations for deepening and extending struggle and also are the basis for the future organisation of society once the power of capital has been removed.

The Unions, contrary to the myths of the leftists, are not half-way houses to what the working class needs. They are a *cul-de-sac* and a prison where workers are locked into capitalist structures and discipline. The left leaders are indeed an "awkward" problem, one which our class will need to sweep aside as we move towards confronting capitalism and all its agents.

K

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A Reformist's Answer to the Failure of Reformism — More Reformism!

Hard Work, by Polly Toynbee

*Hard Work*¹, subtitled *Life in Low Pay Britain*, documents the author's attempt to get inside the lives of the "working poor", experiencing not just their working conditions but also their living conditions. This book is, in part a follow-up to *A Working Life*², which Toynbee wrote in 1970, on the same subject.

After a short period of simulated unemployment when she goes through the same process as job-seekers (with the co-operation of the local Department of Works and Pensions) without actually claiming the money, she finds employment in various low-paid jobs: cleaning, hospital portering, packing cakes, working in school kitchens.

While "unemployed", she finds housing in the worst block (the *White House*!) in Clapham Park, one of the sink estates which are dotted around the country. Someone who was really in the situation (that she pretended to be in) would have virtually no choice but to do as she did and spend the pitiful amount allotted to her for furnishing at a charity. The only alternative would be to go to loan sharks pure and simple, or loan-sharks disguised as retailers of household goods — extortionate hire-purchase a speciality.

Although Toynbee's stay in Clapham Park seems to be extended beyond what is necessary for purely journalistic purposes and to spill over into some kind of petit bourgeois masochism, it does enable her to expose the myth that the people who live in these *favelas* of the capitalist metropolises are all criminals — instead, they suffer disproportionately from the tiny lumpenised minority who do live there. These people are responsible for adding catastrophe to the misery of daily existence on the estates, but the true criminal is a system which allows the conditions for lumpenisation to

exist: lack of monetary resources, damp, cold, draughty and generally unmaintained accommodation which is hard and expensive to heat, all of which lead to desperation, and, not least, the glaring contrast between what can be earned legally and what can be obtained illegally.

And what can be earned legally, and how it is earned is the subject of the majority of the book.

In Britain in 2002, the lowest paid occupations were: cleaners, caterers, carers, classroom assistants, launderers, dry-cleaners and check-out operators (company financial managers, insurance brokers, solicitors, pilots, management consultants, data processing managers, doctors, top-rank police officers and marketing and sales managers occupied the places at the other end of the scale). These pay the minimum wage of £4.50 (£3.80 for 21-year olds and younger workers) or a few pence more.

In jobs which were once directly in government service but are now contracted out to private companies, like hospital portering or work in school kitchens, working conditions have become much worse than they were in the era of *A Working Life*, in terms of the pace of work, safety and the need for the worker to purchase things like uniforms.

Needless to say, both these privatised public sector jobs and ones which were always in the private sector have also got worse in terms of pay — in 1970, they paid the equivalent of around £7.30 an hour in today's money — and security.

This is partly the result of the disaggregation³ of the working class in these areas, which, by splitting the workers by giving them dozens of employers in the same workplace and different contracts for each individual,

weakens the automatic solidarity between them, making solidarity a political act. Until the working class gives itself a political framework for this solidarity, the employers will be able to push wages down and worsen conditions more easily.

Questions...

Toynbee's book is rather good at raising questions. For example, for those that believe that "progress" means movement towards a meritocracy and that some "progress" has been made over the last few decades, there is the question of explaining why children born in 1957 are much more likely to have moved up or down in income bracket relative to their parents than are children born in 1970 — in other words, if your Dad was poor, your chances of not being poor were much greater in 1957 than in 1970. Similarly, your chances of having a partner in a different "class" are much lower later on, reflecting *increasing* social divisions (in fact, Toynbee's implicit definition of class puts higher and lower paid workers in different classes, but the point still stands).

Needless to say, for those of us who would see progress as a generalisation of the access to the good things in life, regardless of "merit" (especially if the definition of "merit" sees more merit in the talents of financial directors than those of carers), things are much worse.

The one place where she finds there has indisputably been progress is in greater sexual equality in the workplace. But this is viewed from completely the wrong direction. Whereas in 1970 a couple had to do 8 hours paid labour per day to feed and house themselves and bring up children, it is now the case that approximately 16 hours are required. Instead of denouncing the fact that twice as much labour is now required to survive as a scandal, reformists such

as Toynbee, hail the fact that this labour is shared more equally between the sexes as a great advance. The real question, which of course she does not answer, is why it is that the working class as a whole has to suffer longer hours of work and greater speed of work to maintain the position they occupied 30 years ago, yet despite the longer hours and greater exploitation, the capitalist system staggers from crisis to crisis and demands more sacrifices from its wage slaves.

...and the answer?

It has become a tradition that the evil witch Thatcher was responsible for much of the deterioration of the working and living conditions of the low paid, despite the fact that her spells were written by Callaghan and have been subject to the good magic of New Labour reformism for well over half a decade. The problem is that the imperative for reformism is the health of capitalism, and this requires that wages are as low as possible compatible with the reproduction of labour, and even this restraint does not operate when there is a surplus of labour.

Toynbee's solution to the problems of the low paid is to address pleas to the great and good of the Labour Party to increase the minimum wage:

If the minimum wage were now set at the equivalent of what the bottom 10 per cent were earning on average in the 1970s (i.e. 67.3 per cent of median earnings), that £262 a week would lift millions out of poverty. No Labour government has ever been in such a phenomenally strong position to do the right thing. It has the power, it has no opposition, its first bold [?!] tax-raising budget was a resounding popular success, it has the longest-sustained strong economy since the war and it would have social justice on its side."⁴

Even if it were true that the British economy is historically strong (it isn't — growth rates are low historically, nothing like those of the post-war boom), rather than not being as bad as some of the competitor economies at this juncture, even if the Labour leadership thought that the "right thing" was to lift those millions out of poverty, rather than prop up profit rates by allowing labour to be paid below its value, this quote betrays the author's illusion that the state is a subservient tool of the government. In reality, the state is the tool of the ruling class, and

will never act against this class's perceived self-interest, and the government merely camouflages that reality.

The introduction of the minimum wage was in the interests of some sections of the bourgeoisie (Toynbee admits this: "Big companies always did whisper behind their hands that they welcomed the minimum wage as it would drive out the worst firms..."⁵. Although the quote finishes "...In fact the rate was set so low that even this did not happen", the "worst firms" have still lost *some* of their advantage), but a minimum wage at a level which will do away with poverty is not in the interest of even these sections.

How little Toynbee understands the world is demonstrated when she quibbles with Mr. Jones, a "representative capitalist", about the market:

But the market price is whatever you can produce and sell something for.
(Mr. Jones)

*No. It is a distorted market if it depends on sub-survivable wages. It is a below-market, fraudulent price, not the true price.*⁶
(Toynbee)

For Mr Jones, whatever is produced by the market is fair and just. For Toynbee, a good, undistorted market produces the fair and just, so if a market produces injustice, such as paying workers a price for their labour-power which is below ("sub-survivable wages") its value (cost of reproduction, not its price), it must be a distorted market. For us, it is in the nature of markets, even undistorted ones, to produce effects that "defraud" the working class.

Late capitalism is trapped in a cycle of crisis followed by war followed by reconstruction followed by crisis.... Today we are in the crisis phase in which capitalism suffers from low profit rates which need to be propped up in any way whatsoever. But, no matter how many sacrifices workers make in terms of low wages, the profit rates will continue to fall unless constant capital is devalued and destroyed to such an extent that the organic composition of capital is lowered. And the high organic composition of capital in our epoch is the reason why only war is sufficiently destructive of constant capital that a new cycle can begin with a

reconstruction phase. *Capitalism* has no alternative.

However, there *is* an alternative, only not within capitalism. The overthrow of capitalism and its poverty wages is the alternative. This requires a break with reformism and its pleading for capitalists to act against their interests. It requires the working class to reclaim its consciousness as a class, to understand that the poverty of the poorest third of society is harbinger of the poverty of the poorest 95% of society as capitalism uses economic divisions within the working class to undermine the conditions of the whole class. Although these economic divisions make a fight-back more difficult, they also make the step from a fight-back to the necessary *political* response *easier*, as the need for that response *despite* the economic disparity becomes clearer.

Any fight-back will also mean coming directly up against the state. The working class will increasingly need to fight back politically, and its own political organisation is necessary to help it move from scattered struggles against the diverse economic conditions of small segments of the working class to a political struggle of that class against capitalism and for a new society.

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Notes

- 1 *Hard Work, Life in Low-Pay Britain*, P Toynbee, 2003, Bloomsbury Publishing
- 2 *A Working Life*, P Toynbee, 1970
- 3 For more developed material on disaggregation, see "On Class Composition and Recomposition in the Globalisation of Capital" in *Revolutionary Perspectives* 28 and 29, and "Where is the working class?" in *Internationalist Communist Review* 12
- 4 *Hard Work*, p234
- 5 *Hard Work*, p218
- 6 *Hard Work*, p207

USA: Claims of Economic Recovery While the Dollar Slides

When the so-called high-tech boom collapsed in 2000, heralding three years of worldwide plummeting stock market values, parallels were being drawn with the 1929 Wall St crash and the subsequent years of crisis and stagnation which have gone down in history as the Great Depression. There are certainly parallels. Even if the fall in traditional Dow Jones industrial stocks were not so steep as in the first great crash (registering a cumulative fall of 37.8% between January 2000 and October 2002 compared to an 88.2% drop between September 1929 and July 1932), the nosedive of the Nasdaq index of high-tech stocks which was at the centre of the modern speculative boom was well on its way to matching the first Great Crash. From the spring of 2000 to the end of the year the Nasdaq index fell by 50%, wiping out \$2,500bn of US wealth and on a par with the Dow Jones' biggest-ever annual drop of 52.7% in 1931. In fact, in terms of the price/earnings ratio, which is an index of the average stock market value of companies in relation to their profitability, the recent over-estimation of the value of US stocks was far higher than in 1929, an over-valuation which has still not been fully 'corrected'. And, of course, just as the first great crash was not limited to Wall St and the USA, the 21st century stock market collapse extended throughout the globe.

The boom and bust of the 1920's

The 1930's slump, following on the boom of the 1920's, is clearly identifiable as a classical cyclical crisis of profitability writ large on an imperialist world scale. After a brief downturn in 1921, capital in general, but especially in the United States, experienced "a concentrated flowering of investment opportunities created by the rapid maturing of a series of new industries, services, and innovations". After the devaluation of capital during the 1st World War it was once more

profitable for capitalists to invest and capital accumulation revived. During the '20's in the US

Industrial output rose by 45 per cent [1922-29] and real gross product by 40 per cent, while capital formation remained at a constantly high level of between 18 and 20 per cent of GNP.¹

When the "flowering of investment opportunities" began to wither — that is, as the rate of profit declined in the newly-established industries and construction projects even though the accumulated mass of profit continued to grow — the prospect of easy returns from financial speculation became an increasingly attractive option for businesses and rich individuals alike. As a US college textbook simply explains:

With low taxes the top 5 per cent of income receivers, those sharing in profits and dividends, were able to amass unusually large personal savings. Big companies were making excellent profits and were piling up unused surpluses in cash. By the late 1920's the funds available exceeded the amounts that business was prepared to use for replacement and new investment. Each year the volume of savings was greater than the volume of new productive domestic securities to be bought.

... Much of it [the surplus of saved money, ed.] flowed into the purchase of stock, thus raising stock prices and tempting promoters to issue unsound and unneeded securities. These securities usually took the form of new stock in mergers or holding companies, substantially increasing the nominal capital of

the companies involved.

The writer goes on to outline one of the principal, though not "inherently dishonest or illegal", methods of amassing financial returns in the 1920's: establishing pyramids of holding companies.

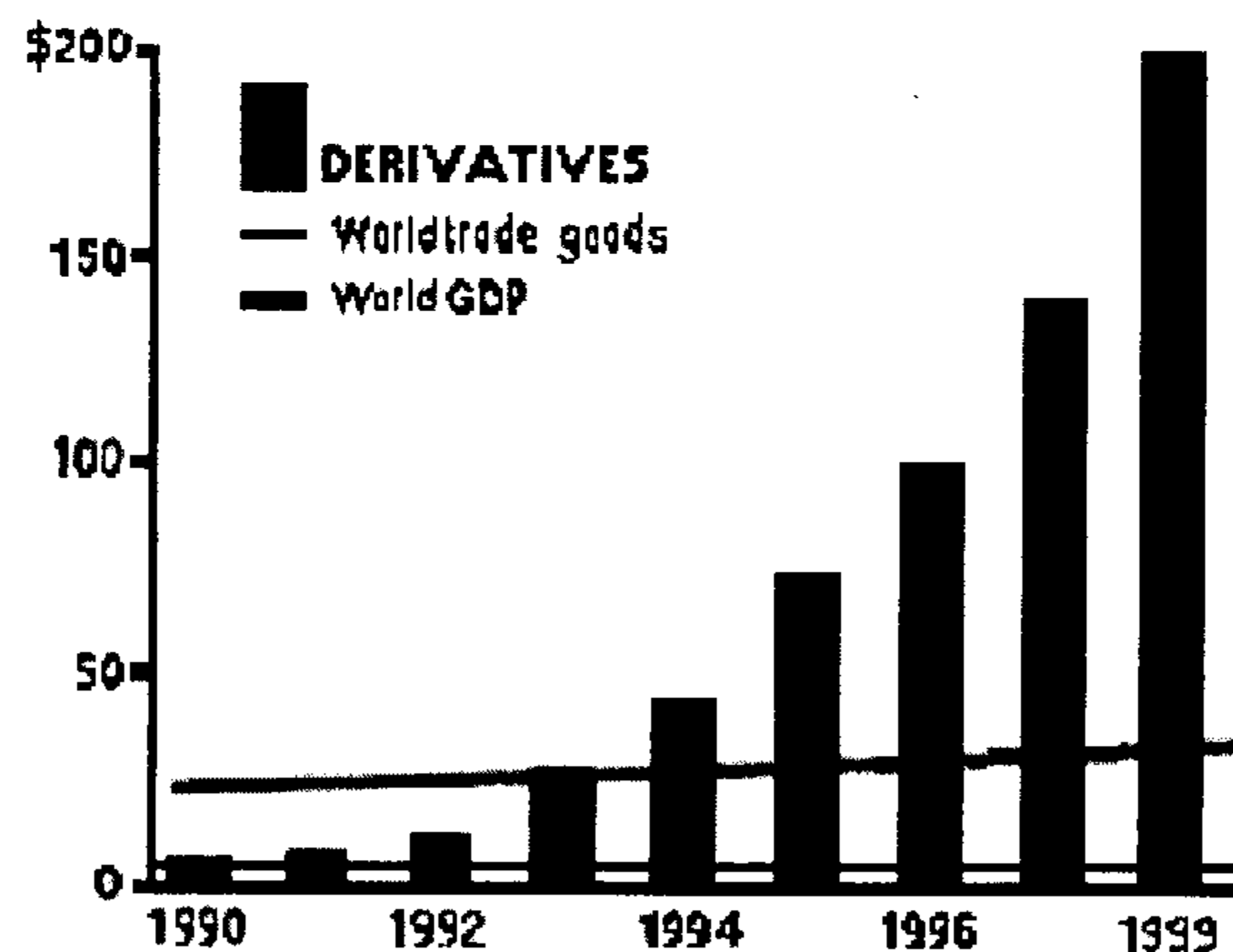
... in many cases the intermediate companies in the pyramid issued bonds or contracted large loans that had to be paid from the profits of the operating companies at the bottom. Failure to obtain such revenue could then throw the whole structure into confusion, leaving the common stock of the companies near the top of the pyramid practically worthless.²

This kind of financial wheeze is pretty familiar in these days of 'post-industrial' capitalism. In fact it is small beer by comparison with today's world where financial scams of Enron proportions are endemic and where trade in debt itself (derivatives) is a major source of revenue.

Debt and devaluation

We have written elsewhere about how capitalism today owes its existence to the generation of *fictional capital*, i.e., financial revenues generated from largely paper transactions unrelated to

Growth of the Bubble: Derivatives Versus GDP and Trade, Worldwide (Trillions \$)



the production of surplus value. However, the unprecedented levels of debt and massive over-valuation of assets which this involves have to be set against economic growth. The graph here indicates the increased magnitude of global debt based on derivatives in relation to world GDP over the years of the stock market boom. While by 1999 global GDP was under \$40 trillion, derivatives were five times higher, at \$200 trillion. When debt from other sources is included, the total amount of global debt stands at over \$400 trillion, more than ten times global GDP! The economy of the world's leading capitalist power also leads in the debt league. The US current account deficit of \$570bn now represents 5 per cent of GDP. However this is just a fraction of the USA's overall deficit which is now reckoned to be \$33 trillion — an unimaginably vast sum which will never be paid off but which the annual cost of servicing runs at 70% of GDP.

In this context, it is not just the more highly inflated stock market values of today that suggest a proportionally more severe slump than has occurred up to now. At some point the leaden weight of debt will have to be removed and the slate wiped clean if capital accumulation — not only in the USA, but worldwide — is to revive. So far, however, the only thing that has been wiped out is the US

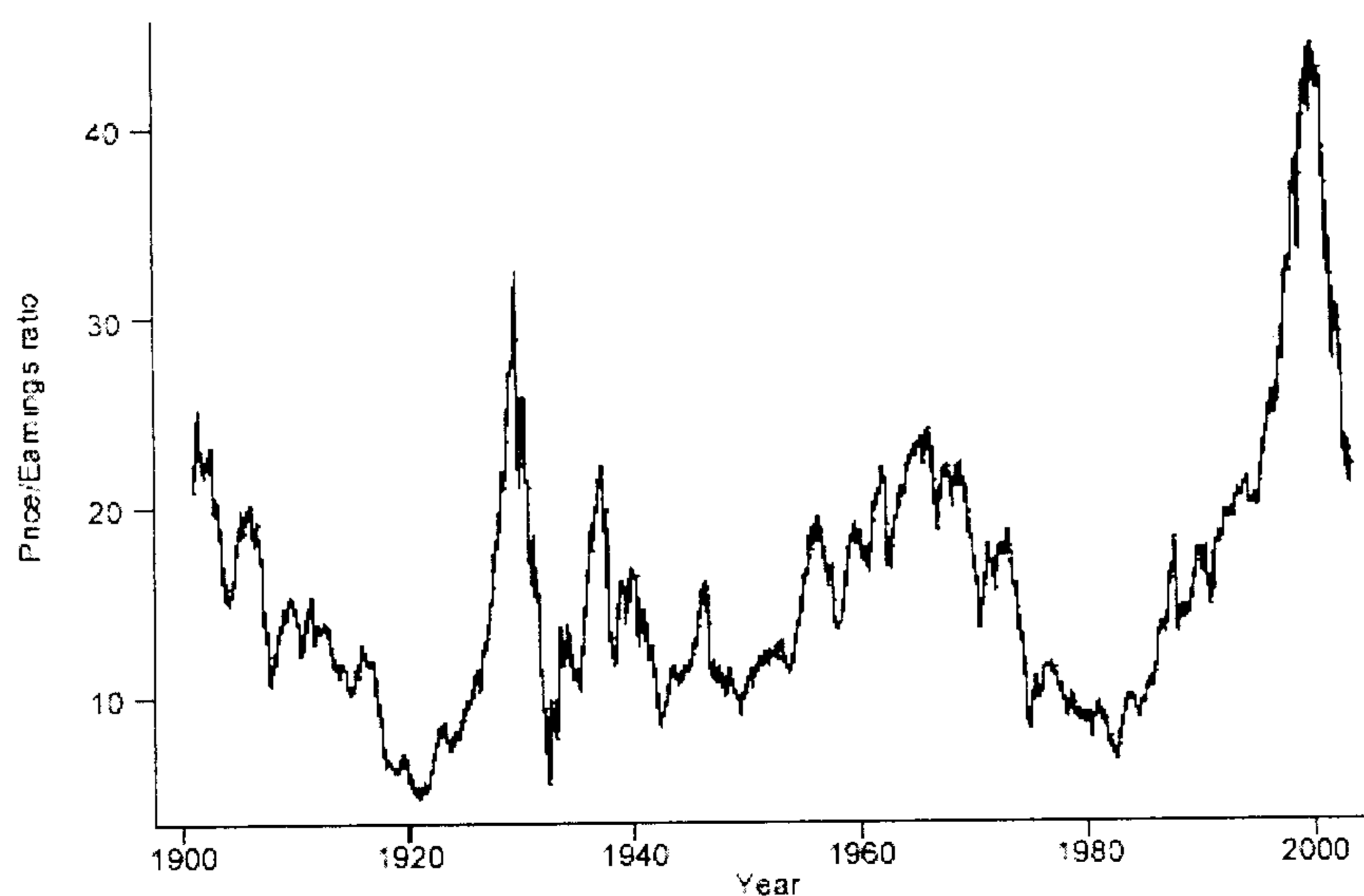
claim that the application of new technology in the 1990's brought new levels of growth based on a historical leap in productivity. There is no basis to this claim. Even if "business investment in computers and peripheral equipment [was] averaging 40 per cent per year from 1995-2000"³ United States' GDP growth averaged just over 3% per annum in the last decade of the previous century, some way below the 5.7% or so yearly average that the 40% figure for 1922-29 in the quotation above implies. As for the productivity leap due to the implementation of new technology, the growth is only remarkable when compared to the low point at the beginning of the decade. Even for the best five years, 1995-2000, "productivity growth was about

15 per cent slower than in the 25 years between 1945 and 1973"⁴ Leaving aside how much any of these official growth figures represent real capital accumulation, the relatively low numbers go some way to explaining why the impact of the 1990's bubble burst has not been anything like that of the first Wall St crash: in 1929 there was farther to fall.

The US stock market crash in 1929 marked the starting point of a new accumulation crisis for global capital following a short post-war period of intense growth, a revival of international trade and a return to the gold standard. The recession which

Even so, the emergence of the sterling bloc, where sterling took the place of gold as the main reserve currency for a large number of states, not only within the British empire, showed that the dollar was in no position to replace sterling. The US responded to the spurt of currency devaluations which followed sterling's de-linking from gold — by the end of 1932 thirty five countries had left the gold standard — with an attempt to form a gold bloc including France, Switzerland, Holland and Belgium, but their highly-valued currencies hit exports leading to calls for devaluation. This, plus a run on banks in the USA in 1933, spelled the

Price/Earnings Ratio for the US stock market since 1900



The price/earnings ratio reflects the extent to which stock is overvalued

followed brought mass unemployment for the working class and cut-throat competition amongst the capitalist powers as production and international trade declined and each one sought to protect their own economies by erecting trade barriers (tariffs and quotas) to protect their own markets whilst reducing the price of their exports. This latter action was facilitated by the abandonment of the international gold standard, a modified form of which had only been re-established with difficulty by Britain in 1925. Sterling was over-valued even before 1929 so when there was a run on gold in 1931 the British had no alternative but to abandon their attempt to re-establish sterling as the unchallenged international currency.

end of the gold bloc. The dollar was devalued by more than 40% in 1934, opening a further round of competitive devaluations: the 'beggar my neighbour' policies which further undermined multilateral trade and stimulated the formation of trade blocs. (The British formally introduced Imperial Preference at the Ottawa Conference of 1932 making the Empire and Commonwealth an area of preferential trade.) Neither protectionism nor the public works programme of the New Deal could revive capital growth. Only the build-up to war and the 'government purchases of goods and services' associated with that brought business activity and GNP back to 1929 levels. In the end it was only the reconstruction which followed war itself that enabled

the revival of a new cycle of capital accumulation.

The nature of the current crisis

By contrast, the bursting of the '90's bubble was not the starting point of the crisis but rather a further step in the downward spiral of stagnation that is characteristic of the world crisis of accumulation which has now been running for more than thirty years. Appropriately enough, the longest crisis in capitalism's history has followed on the longest boom period of post-2nd World War reconstruction and beyond. Both owe their longevity to the lessons drawn from the inter-war years by the imperialist powers and their mutual self-interest in deploying strategies (essentially Keynesian) to avoid their repetition. Domestically, a key part of their stratagem has been the use of 'demand management' in order to convert the working class into a significant market for consumer goods so as to stimulate capital accumulation. In return for a higher standard of living (brought about by productivity gains which would allow capital to return a larger amount of the surplus value their labour power created to the workers), the working class would provide the means for crisis-free capital growth. At least that is what many people (and not only defenders of capitalism) believed until the crisis of falling profit rates returned to the capitalist heartlands in the '70's, shattering the myth of full employment and demonstrating to the working class that there are no permanent gains in living standards under capitalism. For capital it meant the necessity to shut down unprofitable 'smokestack' industries and to undergo severe restructuring of production in order to revive the rate of profit. Increasingly manufacturing has been transferred to outlying areas of cheap labour power as part of the wider process of globalisation led by the USA. This route was only made possible when the collapse of the Russian bloc brought an end to the cold war without military engagement and opened up the prospect of the whole world coming under the control of US capital and the dollar. No sooner had the prospect of US global hegemony opened up than it began to be challenged by her allies, especially in Europe. Even so, it was clear that full scale inter-imperialist war was not on

the agenda and that the USA could carry on leading the process of shoring up the capital resources of the world under the banner of free trade and 'openness'. This process has accelerated the historical decline of manufacturing in the domestic economy, not only in the USA but in all the leading capitalist states.

Nevertheless 'personal consumption' — a large part of which stems from the working class and a growing portion of which is satisfied by imports — accounts for two-thirds of US GDP. Unlike 1929, it took less than nine months after the latest stock market crash for the newspapers to announce that the US had "returned to growth". Though by any standards it is a pretty feeble revival where production is running below 75% capacity and which sceptics initially dubbed the 'job-loss recovery', for obvious reasons.⁵ Even so, unlike in the 1930's, the biggest impact on the working class — inside and outside the US — has not been sudden mass unemployment but rather the massive slash in pension funds whose values are tied in with the fate of the stock market. This has not prevented the US working class — in its role as 'consumer' — from being the major contributor to the US economy's 'return to growth'. Despite holding debt liabilities to the tune of \$9000bn, US workers have been encouraged by low interest rates and tax cuts to refinance their mortgages and spend, spend, spend.⁶ Ominously, the Bush administration has combined this classical piece of Keynesian pump priming with 'the war against terror' increase in defence spending to manufacture an economic upswing. In a deeper sense, however, the economic frailty of the world's leading capitalist power has been exposed.

Whither the dollar?

One lasting consequence of the bursting of the stock market bubble has been the loss of confidence in the dollar. It was well known that the dollar was overvalued when measured against the purchasing power of the euro or the yen, but so long as there was the prospect of high financial returns from investing in US markets the foreign currency flowed in and helped to finance the gigantic US deficit. Once capital inflows to the US declined (and in any case they were increasingly

unable to cover the value of the ever increasing deficit) it was inevitable that the US would have to accept a lower valuation for the dollar. The only question was, and is, by how much?

The G7 statement on the need for "more flexibility in exchange rates" last September made it clear that the US is trying to engineer a gradual decline for a currency which is already being declining rather than watch it go into free fall. Since the start of this year, the dollar has declined almost ten per cent against a basket of currencies. For US companies overseas whose profits are earned in the currency of the local economy — principally sterling and the yen — and then converted into dollars, the weakening greenback is helping to push profits back up again. However, the interests of US capital are not so clear cut. The contradictory signals from John Snow, the US Treasury Secretary are a reflection of the contradictory interests of US capital. In the face of a burgeoning trade deficit, including a record bilateral deficit with China (\$116bn in the 12 months to July 2003), US manufacturers are demanding devaluation and/or protective tariffs so as to be able to sell their own goods more cheaply. On the other hand, it is precisely the Treasury bonds purchased by Japan, China and other Asian countries with the dollars they earn from trade with the US, that in large part finance the US deficit. When the US signals to Japan, for example, that she should stop buying up dollars and allow the yen to appreciate, it does not really mean that it wants Japan to stop investing in US financial assets. But that could happen ... if the dollar were to fall far enough and if ... the dollar did not hold the monopoly as the international medium of exchange.

Unlike when the British took sterling off the gold standard in 1931, when the US de-linked the dollar from gold in 1971 the devalued currency retained its position as the unit of world trade. The US was able to use this position to recycle petro-dollars when OPEC put up oil prices in the wake of the US devaluation. More generally, the US has literally capitalised from the financial rake-offs which have come from the increased speculation on trade and currency exchanges in the era of 'free exchange' where at the end of the day every country in the world must hold a certain amount of dollars in order to trade. But, if the dollar were to slide far enough, that position could

easily change. The euro and the yen are waiting in the wings as a means for prudent states to diversify their foreign exchange reserves. In future, the US may find it is not so easy to maintain the enthusiasm of Japan and China for devalued US Treasury holdings. Moreover, the pattern of world trade which has emerged over the last decade gives the lie to the myth of more and more open world trade. Exports within the EU, for example dwarf external exports; similarly Nafta internal trade has dramatically increased and by 1997 surpassed rapidly declining exports outside its member states. The latest confirmation of this tendency is the declaration by South East Asian leaders to establish a common market by 2020 with the three rivals, China, Japan and Korea "cooperating on a feasibility study into the formation of a north-east Asian economic community rivalling the size of the European Union and North American free Trade Agreement" (*Financial Times*, 8th October 2003). The recent breakdown of the World Trade Organisation negotiations in Mexico only reveal how the WTO is itself becoming a sideshow in a world that is becoming more, not less, dominated by the rivalry between the USA and her sometime allies.

We have already seen with the US declaration of the 'war against terror' and its invasion and occupation of Iraq

what the most vociferous advocate of free trade resorts to once its control of that trade is threatened. It is foolish to suggest that world capitalism is about to replicate the situation of the 1930's but when the leaden weight of debt proves too great for the United States and its greatest rivals, whither the future of free trade and the dollar?

E Rayner

Notes

1 *From Versailles to Wall Street, 1919-29* Derek H Aldcroft, p.196.

2 *The Great Depression and World War* 2 Thomas C Cochran, p.3-4.

3 According to the US Administration's *Economy Report for 2002*.

4 Alexander Cockburn, paraphrasing the conclusions of a new book by Robert Brenner — 'Boom, Bubble, Bust: the US in the World Economy' (Verso) in *Can War Save The Economy?*, 12th October 2001.

5 In October the *Financial Times* reported that the US economy has lost more than 2.7m manufacturing jobs in three years (18th October 2003). This therefore has to be set against the official claim that jobs are now being created in line with the 'recovery'. In

September, 57 000 new jobs were claimed but as the FT points out, "Job creation of 57 000 is still below the 600 000 or so consistent with a stable unemployment rate. The only reason that the unemployment rates is not higher is that so many people have dropped out of the labour market." (4th October 2003)

6 This is not to say all workers in the US are in a position to do so. As the US economy 'returned to growth', a further 1.7 million people were reported as having 'slid into poverty'. "according to an annual report by the US Census Bureau, the number of people living in poverty rose to 34.6m last year, up from 32.9m in 2001." (*Financial Times*, 27th September 2003)

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Class Consciousness and Working Class Political Organisations

Part Ten: By Way of Conclusion: Towards the World Proletarian Party

Introduction

An understanding of the nature of working class consciousness, the manner in which it arises and the way in which it becomes a material force in history is the most important issue for defining the nature of revolutionary action. In this series of articles we have tried to relate the theoretical acquisitions gained by revolutionaries to the practical, material, movement of the working class itself. Whilst the very existence of the working class and its struggles in the early nineteenth century in Europe provided Marx and Engels with the raw material for the basic theory of how working class consciousness arises, *The German Ideology* and the *Communist Manifesto* were only the beginning of the definition of the question. "The word was made flesh" by the subsequent actions of the working class in the Paris Commune, in the mass strikes of 1905 and in the 1917 Russian Revolution itself. This is why it is not good enough to simply quote what Marx and Engels wrote in the past as though it were a set of commandments handed down from some deity. Whilst the basic framework of Marx and Engels remain eminently defensible, even today, the problems which they raised have turned out to be infinitely more complex than the two great thinkers could possibly have anticipated. Although they had begun to sense that the Social Democratic Parties that claimed the title "Marxist" (see Part Four of this series in *Revolutionary Perspectives* 24) were increasingly anti-revolutionary, they could not remotely have foreseen the extent to which Social Democracy, and the trades unions, would become a force for capitalist preservation. Nor could they have anticipated the extent to which the capitalist state in the metropolises of the system would respond to the threat of working class

struggle by mitigating the worst aspects of exploitation through state intervention, including outright nationalisation of the means of production.

No-one could have predicted that the first attempt by the proletariat to launch an international revolution in 1917 would be isolated by capitalism to a single geographical entity, and that the very party, created by the proletariat in that revolution, would be the same force that would carry out the counter-revolution. As we demonstrated in Parts Seven and Eight of this series, this was not in any sense planned but arose from the material situation. Counter-revolution did not occur overnight but was a gradual process which contemporaries were concerned about but they could not foresee exactly how each expedient to hold the USSR together was actually one more nail in the coffin of international proletarian revolution.

In the USSR itself the so-called civil war, which lasted three years following the signing of the Treaty of Brest-Litovsk, decimated the revolutionary class. The most class-conscious workers went into the Red Army, or the Party-cum-state apparatus, and the abandonment of the main cities by millions searching for survival, took the heart out of Soviet power. The Soviets became empty shells by 1920. Many Russian Communists tried to get round this by insisting that the dictatorship of the proletarian party was the same thing as the dictatorship of the proletariat but such a position undermines the very heart of Marxism. Such illusions were the building bricks on which Stalinism would be built. By way of conclusion to this series we would like to link the proletarian position on the question of consciousness (i.e. how the revolution can come about) to the events of the

Russian Revolution and its aftermath in order to arrive at a workable and meaningful position for today.

The revolutionary position re-stated

Let's start with the problem posed by the decline of the revolution in Russia. Marx was always clear that the communist revolution, unlike all previous historical movements was the "self-conscious, independent movement of the immense majority" (see part Three of this series). At the same time Marx was also clear that this movement could only constitute itself as a class movement through a political party. For Marx this was axiomatic. The problem of class consciousness for the working class is that it has no property form to defend and therefore its class consciousness cannot arise automatically from the extension of its form of property. The economic struggle of the working class poses the question of nature of exploitation but does not of itself provide the answer to the question of how to end exploitation. The fractured nature of the way in which different groups and individuals came to class consciousness at different times means that it is only through the existence of some permanent political body can that consciousness be consolidated and spread. The political party of those workers who understand the historical nature of the class struggle – that it is more than just a struggle for a fair day's wage but for an entirely new way of life – is the only way in which the ruling ideas in this epoch can be challenged. By putting together all "the sparks of consciousness" produced by the daily struggle against capitalist exploitation, the party can make the ideas of the proletariat "a material force" in the political fight to overthrow the capitalist state. It can not come spontaneously from the daily struggle

of the class alone. What was less clear in Marx's time was what the nature of this party was, as well as what its relationship to the mass of the class was to be.

The experience of Social Democracy (including that of the Bolsheviks) showed that the proletarian party should be programmatically clear rather than numerically large in advance of the revolution. Whilst German Social Democracy became the largest political party of its epoch it did this at a cost. Although Rosa Luxemburg had carried on a struggle against reformists and revisionists like Bernstein (because as a former protégé of Engels he seemed more dangerous as an opponent of revolution), the German Social Democratic Party, and its trades unions, actually had much worse figures who were saturated with imperialist, racist and even downright pro-capitalist attitudes (see Part Four of this series). The SPD Right were to be the final murderers of Luxemburg even if the so-called "Marxists" like Kautsky had helped prepare the way by failing to carry out all the antiwar resolutions of the Second International. Indeed it was the very narrowness of the Bolsheviks (and it is no accident that their Bulgarian allies were called the Tesnyaki or Narrow Ones) which was to ensure that they maintained class positions (and even this was not without sharp ideological differences. Kamenev, for example, thought that the overthrow of the Tsar in March 1917 meant that the Bolsheviks could now support the war!). Asserting that the proletarian party should be programmatically clear rather than numerically large on the eve of revolution obviously requires some explanation. If the proletarian revolution is the movement of the "immense majority" how can it be led by a minority?

The answer obviously has to be a bit schematic since in real life historical processes never unfold as paradigmatically as the attempts we make to understand them. Broadly speaking, the key to it lies in the word "process". Revolutions (and indeed all great social movements) always begin somewhere with a limited cast. Gradually more and more people are drawn into this process as the movement extends both geographically and politically. The first event of any revolution will be some spontaneous development, which flows from an economic and social crisis of

capitalism. It is likely that it may not even be apparent to the participants that what they are launching is a revolution. All they will know is that they cannot go on living in the old way. The unconscious comes before the conscious. However, whilst spontaneity can launch a movement, the key to a successful revolution is that the movement goes beyond mere anti-capitalism to acquire a programmatic alternative goal. As we have argued throughout this text, only the body which brings together all those who have embraced a conscious alternative to capitalism is in a position to take the revolt towards a new society. It cannot be otherwise. If there is no communist programme for the new movement to seize it will eventually take on some capitalist banner or other (as in Poland in the 1980's, when the alternative to fighting Stalinism was the Catholic Church as there was no real communist party present, and there was the additional mystification that the system was already "communist"). However, we are not arguing that the Party should be numerically insignificant when the revolutionary process begins, since in any given territory there has to be a "critical mass" of communists who can take part and influence a wider movement. A class party however does not bring this programme down from a Mount Olympus or a Mount Sinai. The members of the party are part of the working class and have roots and connections throughout it which go beyond the actual party membership. At a certain (early) point in the movement, they assume organisational tasks which help to lead the workers towards elected class-wide bodies which begin to replace the bourgeois state. It is within these class-wide bodies that the political debate and struggle for communism has to take place. It is at this point that the movement assumes the character of a majority movement but it may not yet be a fully Communist movement As Marx explained, once workers are actually engaged in this new social and political activity they begin to experience the world differently.

Both for the production on a mass scale of this communist consciousness and for the success of the cause itself, the alteration of human beings on a mass scale is necessary, an alteration that can only take place in a practical movement, a revolution; this revolution is necessary therefore because the

ruling class cannot be overthrown in any other way, but also because the class overthrowing it can only succeed in ridding itself of the muck of ages and become fitted to found society anew.

The German Ideology (quoted in *Revolutionary Perspectives* 22, p.29)

Parliamentarism fragments class consciousness

This is the most important passage for explaining how we can get from a situation of ideological domination by the ruling class to an entirely new view of society. It gives the answer to all those who state that capitalist values are "human nature". Our nature changes with our activity – not with the preaching of socialists or communists. This latter sin is the error of the tendency of the World Socialist Movement, represented by the Socialist Party (formerly the Socialist Party of Great Britain) in Britain. This organisation has existed since the early years of the last century, and has a clear Marxist conception of the communist mode of production (correctly criticising the state capitalist distortions of the statists, which include not only Stalinists and Maoists, but also the Trotskyists). However, they share the same view as the bourgeoisie that the October Revolution was a coup of a tiny minority rather than part of a wider class movement. Instead they argue that socialism can only come about if workers vote for it *via* the rules of the bourgeois parliamentary system. As we have demonstrated, this is not only unMarxist, but is also utopian, as well as playing into the hands of the capitalist ideologues. If the Socialist Party has existed for a century and not achieved one parliamentary seat what does this tell us about socialism or the Party? In fact, not a lot. What it does demonstrate is that under the conditions of capitalist domination only a handful of people in capitalist elections will vote for anything other than immediate, and capitalist "solutions". This should not be surprising since, in the act of voting, workers are isolated from fellow-workers in the polling booths, subject to the pressure of immediate daily problems and only asked to choose between two or three "real" candidates of various capitalist persuasions. It is no real choice. However, every electoral failure by the Socialist Party, or even by the (so-called) Socialist Alliance, only gives the capitalist ruling class the propaganda lie that no-one

wants socialism. It is only under revolutionary conditions that this spell can be broken and a whole new mindset adopted. Instead of passively accepting the will of the bourgeois parliamentary leaders we now become active participants in the debates of the day. Immediate recall of delegates allows us to directly influence what is debated in the class-wide bodies. However, at this point the question of communism has only been posed. Now it needs to be fought for in the debates in the class-wide bodies. And here again the most active fighters for this new society are by any logic those already inscribed in the communist party. Only by their conquest of a majority in the main bodies of the class does the revolution become the movement of the immense majority.

The Russian Revolution: a lesson not a model

The Socialist Party have always thrown back at us the undeniable fact that the Russian Revolution failed and that any

attempt to use any part of the revolution as an example to be followed will only lead to the same state capitalist tyranny. This issue cannot be brushed aside and we have tried to address it in the last few parts of this text. Let us summarise here. The Russian October Revolution is not a model. The next revolutionary wave will take place in different circumstances and under different conditions than the last one. However the October Revolution was the only time when the working class anywhere actually overthrew the capitalist order. To simply state that this was a Bolshevik coup does violence to the facts as well as deal a blow to the whole idea that the working class is capable of making revolution succeed. The Bolsheviks themselves resisted any voluntarist taking of power (as can be seen in the July Days when they tried to head off an armed demonstration by Kronstadt sailors who wanted to seize power straightaway). The Bolsheviks only actively discussed the overthrow of the Provisional Government once

they had a majority in both the main two Soviets and in the Second All-Russian Congress of Soviets. The whole world knew that the overthrow of the Provisional Government (which had never been elected but was simply a committee of the old Tsarist Duma) was going to take place and yet it passed off peacefully because the Bolsheviks had such overwhelming support. Nor did the Bolsheviks think that they could establish socialism in Russia alone, but expressly stated that the October Revolution was the first step in a world-wide socialist revolution. This was not unreasonable (although the SP assert otherwise). The First World War had created an international wave of unrest which was only equalled in extent by the (largely bourgeois) revolutions of 1848. By 1917 here had been riots in Italy, strikes in Germany and Britain and mutinies in the French and British armies. And in fact revolution did break out in many European cities within a year of the Russian October. The Bolsheviks also

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extended soviet power throughout Russia after October and in its early days the Executive Committee of the Soviets did act independently of the Party on several occasions. These are some of the positive points we take from that experience.

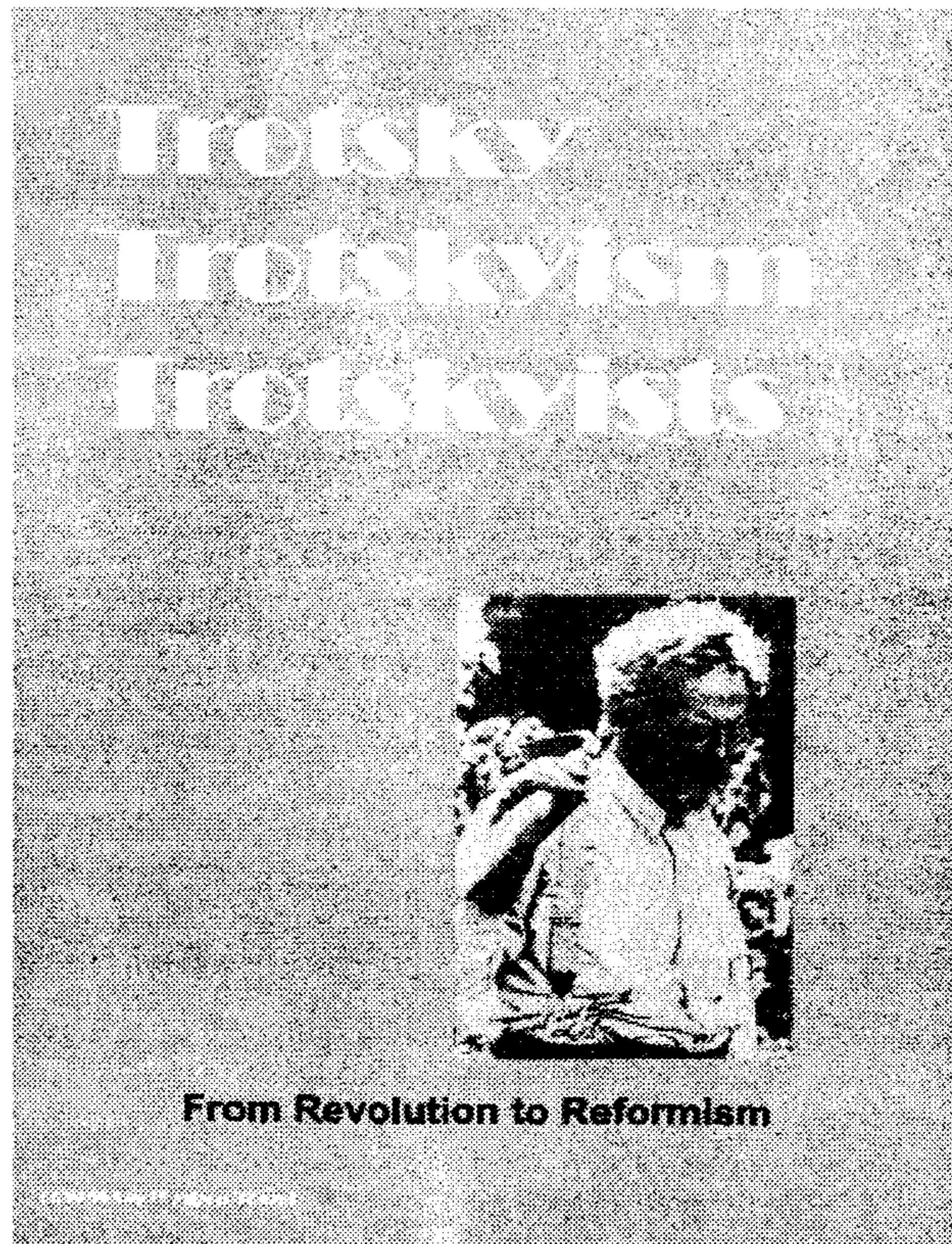
However the failure of the Russian Revolution (which must be seen ultimately as the failure of the world revolution) to usher in a new era of proletarian emancipation has given us a whole new set of experiences upon which we must draw. Whilst the ultimate cause of the adoption of many policies which ran counter to socialism was the civil war and Allied intervention in Russia we must also emphasise some lessons from that period. The first is that the proletarian party is not only internationalist in outlook but internationally centralised in character (see "The New International Will Be the International Party" in *Internationalist Communist* 20). If the workers have no country, neither does their party. With the collapse of the Second International any pretensions that there was an international party before the First World War also vanished. Instead we were left with a series of national parties. Thus when the Russian socialists (Bolsheviks) triumphed on the territory of the Tsarist Empire then that party became inextricably bound up with the government of that area. To be in a government in an area of brutal international class war foisted on the Russian workers by international imperialism was hardly the best circumstance for developing socialist policies. Indeed the opposite happened, as the war demanded a restoration of a standing army (the Red Army absorbed the proletarian militia), the use of former Tsarist officials in the bureaucracy and, as terror was waged more on the proletariat, the organisation of a secret police (the Cheka). If all of these retreats had still been directly under the control of the soviets they would not have led to the end of the proletarian character of the state, but, as we have already mentioned above, the war also tore the revolutionary heart out of the soviets. By 1920 they were empty shells and Lenin was talking of a communist party which "represents a class that no longer exists" (see Parts Seven and Eight of this series in *Revolutionary Perspectives* 27 and 28). The Bolsheviks had no previous working class experience to turn to and, in the

end, decided that the party was the class largely because no other conclusion was possible. They tried for a while to keep the party proletarian and communist by occasionally "purging" it of the careerists and opportunists who entered its ranks after 1918 (it should be noted that this only meant expelling them from the party – not taking any form of punitive action against them. This was the meaning Stalin's massacres later gave to the word). Above all the Bolsheviks set up a new and Communist International in 1919. Originally it was planned to be based in Germany but the failure of the Spartakist Revolt in January 1919 meant that Moscow was the only logical base. This was another source of weakness for the international working class since the degeneration of the revolution inside the USSR meant the adoption of ever more desperate opportunist policies to try to safeguard the Soviet Union. The adoption of the "united front" with social democracy was not a brilliant tactic to link the communists to the masses but a transparent manoeuvre which only discredited the International in the eyes of workers. It ultimately strengthened a now openly capitalist Social Democratic movement. The more the Communist Party became the sole apparatus for running the USSR, the more it ceased to be the vanguard of the international proletariat. It was the Italian Communist Left headed by Bordiga who, in a meeting with Stalin, openly asked why the Comintern did not discuss developments inside the U S S R . Intuitively Bordiga was underlining the problem. The party has to be a world party with a centralised international

leadership. It is unlikely that the world revolution will be instantly successful everywhere at the same time. The Party's role is not to administer any proletarian outpost but because it is an international body its entire work is to do with the extension of the revolution. Whilst party members will be in significant, if not dominant, positions in the "soviet" the task of administering any area belongs to the class wide organs. Party members in any given territory obviously take part in such work but the leadership of the party is international and does not identify with any state or semi-state. The world party of the proletariat is an instrument of revolution, it is not equipped to be an instrument of government. This is part of the basic tenets of our organisation and has been so since 1943. This was repeated in the 1952 Platform of the Internationalist Communist Party

There is no possibility of working class emancipation, nor of the construction of a new social order, if this does not emerge from the class struggle...At no time and for no reason does the proletariat abandon its combative role. It does not delegate to others its historical mission, and it does not give power

Our pamphlet on Trotskyism is £2.50 from the group address



away to anyone, not even to its political party.

(pp. 5-6).

Trotskyist twists and turns

At such points in speculation about any future proletarian revolutionary process there enters a whole raft of "what if?" questions. All are based on the premise that a successful proletarian movement will once again be isolated to a single area. The simple answer to all these is that if this happens again it means that we are in for a further defeat. If the consciousness of the class is not there on a sufficiently wide scale it cannot be manufactured. This is one of the cardinal points which identify the Left Communist¹ tradition. As our comrades in the *Committee of Intesa* in their 1925 Platform stated

It is a mistake to think that in every situation expedients and tactical manoeuvres can widen the Party base since relations between the party and the masses depend in large part on the objective situation.

op. cit. (CWO Pamphlet, 1995) p.18

The same holds true for the process of revolution. Either the mass of the class is drawn more and more into the process so that the revolution keeps moving forward to deny the imperialists the power base to regroup and destroy us, or we will find ourselves isolated to this or that area once again, and the capitalist order will survive once more (whilst plunging us into further misery and barbarism).

All this is in stark contrast to the Trotskyist tradition. We have already produced a pamphlet explaining how a highly gifted revolutionary could ultimately bequeath us a tendency which has spawned more and more manipulative organisations which actually take us back to the worst practices of nineteenth century Social Democracy.² In brief, most of the errors of Trotskyism on class consciousness and organisation are based on the view that if class conscious activity is not there it can be manufactured on a voluntarist basis by a "revolutionary" minority. This stems from the degenerating Comintern who one week were calling the Social Democrats "social fascists" whilst the next they would be seeking united fronts with their leaders. Trotsky's own aim to be part of a mass movement led to the entryism of its French section and ultimately most of the Fourth International. By hiding their

revolutionary programme the Trotskyists hoped to be part of a wider movement. All they did was to fail in the basic task of defending as openly as possible the communist programme at the same time as creating the view that all "revolutionaries" are dishonest. Nor can Trotskyists stand back and criticise the Stalinist view that the Party (and not the class) is the vehicle of socialist transformation since they not only shared this view in the 1920's but even gave rise to some of its most absurd expressions. At one point, Stalin even lectured Trotsky after the latter had said "no-one can be right against the Party", that Lenin had always acknowledged that the Party would make mistakes! Trotsky's assumption that a mass party could be built in the 1930's led him to reject all the many other small communist organisations which existed in opposition to Stalinism in the 1930's (including our own political ancestors). He did not accept that the road to rebuilding a class movement would be a long one nor that the most important basis for a new proletarian organisation was a new programme which took into account both the negative and positive lessons of the Russian Revolution. Too much bound up with the creation of the state apparatus of the USSR in the early 1920's, this was a task he left to others. Today the same failure to actually defend a communist programme is still to be seen in the Trotskyist movement as the various groupings of this tendency hail the "Stop the War movement" as a model of the united front. In fact it is a front with clerical reaction, and their toleration of the chanting of "Allah-u-Akhbar" (God is Great) led from the platform at its rallies only underlines that this is a tendency which has long since abandoned any real perspective of working class emancipation.

The Communist Left

The historical *cul de sac* of the Soviet Union has left us a bitter legacy. It hangs like a millstone around the neck of any revolutionary trying to frame the question of how society and thus humanity is to escape the exploitation and degradation of the capitalist system. There is an understandable, but mistaken, tendency on the part of those who want to see the emancipation of the working class to throw the revolutionary baby out with the party bathwater. The way in which the Bolshevik Party first took upon itself the tasks which can only be carried out

by the entire class, and then became the godfather to a new regime of administrated state capitalism has made even the mere mention of the party a difficult issue for some. However, it is time to go beyond the superficial and to recognise that the only vehicle for regrouping and organising the revolutionary sparks of consciousness produced under capitalist conditions is *via* some political body, i.e., the world party of the proletariat. There is no other possibility apart from the defeatist optimism of those who insist that spontaneity can settle everything. History begs to differ. In the famous Red Two Years in Italy (1919-20) the massive spontaneous struggles of the class failed to challenge the state, failed to generate socialist consciousness and instead, trapped in the ideology of self-management, were led to defeat. Unless there exists a material force which has a revolutionary programme based on the lessons of working class experience, the course of any spontaneous movement will always head back towards something safe for capitalism. The Party, as the body of the most class-conscious workers helps to lead and organise the seizure of political power to establish a regime in which class-wide organisations can begin the process of revolutionary transformation. The members of the party will be actively involved in this (and in positions of leadership), but the party as a body can only remain a class vanguard by remaining outside of any territorial organs and, instead, acts as the centralised international motor of world revolution. The Party is for making world revolution; it is not a state machine, not even in the proletarian semi-state.

At the present talk of revolution seems to be far distant. On a global level the crisis of capitalism has not seen anything like the response that revolutionaries might have expected. But then consciousness is not a reflex reaction. As we have argued it involves both material causes and reflection on those material circumstances. After thirty years of capitalist stagnation, the capitalist class have globally succeeded, so far, in restructuring the workforce at the heart of the system, whilst at the same time creating island fortresses of high exploitation within the periphery (like the so-called *maquiladoras*). Such divisions within the class make it more difficult for it to reconstitute itself as a global

revolutionary antagonist to the capitalist system. But the class has been equally divided and consequently written off by so-called revolutionaries before, but has always then confounded their pessimism by launching on a new, potentially revolutionary onslaught. However for careerists and opportunist this wait is too long. They either personally abandon communist work entirely or they join tendencies like the Trotskyists. As the latter have abandoned the defence of the revolutionary programme for some spurious short-term numerical gain they are equally a form of revolutionary retirement. As we have made clear throughout this series only the "Communist Left" has consistently provided the long term basis for the revolutionary revival of the working class.

Since the post war boom ended in the late 1960's or early 1970's, the ideas of the Communist Left have had a new lease of life. The International Conferences of the Communist Left may have come to an end in the early 1980's but the numbers of people relating to the proletarian political milieu has slowly but steadily increased. Some look on the end of the conferences as a setback but this needs to be set in the context of the way in which class consciousness develops. The Conferences began in 1977 largely as a result of the increase in the number of communist groups appearing around the world (but at the time, primarily in Europe). Ironically the Conferences began at precisely the moment when the international wave of class struggle which started in the late sixties was already coming to an end. This was reflected in the conferences since there was less of a real material struggle to give impetus to the discussions. As the class movement fragmented so did the Conferences. The issue which divided the Communist Left both inside and outside the Conferences was the very question under discussion here. In the first place the four major Bordigist groups (The so-called International Communist parties — see Part Nine of this series) all failed to attend. To have done so would have been to undermine their own claims (each and every one of them) to already be "The Party". Inside the Conferences the main division was between the International Communist Current (ICC) and the groups which later formed the International Bureau for the Revolutionary Party (IBRP), the

Communist Workers' Organisation and the Internationalist Communist Party (*Battaglia Comunista*). The key issue was that the ICC appeared to deny any role for the party in leading and organising the overthrow of the capitalist state. For them the revolutionary organisation only exists to "accelerate" a process which was already underway. After three Conferences the issue was not only not resolved but there was also a sense that the discussions were actually going nowhere. At this point the Internationalist Communist Party proposed a seventh criteria for attendance in order to sharpen the focus of the discussion. The ICC refused to accept the criteria and the Conferences came to an end. Since then the ICC has suffered several splits, mostly related to the issue of organisation. The consequence of these splits has been to create groups like Internationalist Perspectives which have become increasingly councilist over the years.³ If these splits had removed a source of confusion from the ICC it is not yet apparent in the statements made by the parent organisation which continues to denounce the IBRP for "splitting the conferences" when the real question is "where do you stand on the party issue?".

Some have been discouraged by this "bickering" amongst revolutionaries but this attitude only trivialises what are important debates and shows that they do not understand how class consciousness emerges. Without a sharp debate to clarify issues the proletariat will not be in a position to have a solid programme on which to fight the next big onslaught on capitalism. Currently the fragmentation of the class is reflected in the dispersal of revolutionary energies. Once the workers begin to move then the practical movement will tend to take on board that programme which most meets its real needs. This does not mean that revolutionaries wait around with folded arms until the great day. There will be no great day unless those who are already communists fight for that perspective as widely as possible within the class. The World Proletarian Party (or at least a large nucleus of it) has to be in existence in advance of the revolutionary outbreak.

The International Bureau for the Revolutionary Party, as we have repeated many times, is not that party since the conditions for it do not yet exist⁴. However we have raised the

banner of the Party so that those new forces who do come to a consciousness of the need to overthrow the system have something to rally around. All those who deny the need for a party, who fail to work to regroup all revolutionaries into a centralised, international body are, in our view, abandoning the class to the mercies of capitalist ideology

Jock.

Notes

1 We do not particularly like the designation "Communist Left" since it implies that there is still a Communist movement which has survived Stalinism. Today the only real communists are those whom history has baptised "the Communist Left"

2 *Trotsky, Trotskyism, Trotskyists* (£2/€4/\$4) from the CWO address.

3 And today are even flirting with the counter-revolution in denouncing the October Revolution as the birth of Stalinism. In quoting at length and uncritically from *The Black Book of Communism*, a right wing compilation of supposedly new documents (most of which seem to have been public knowledge for at least 60 years), they pretend that they have new evidence for a shift in position. See the article "The Bolsheviks, the Civil War and 'Red Fascism'" in *Internationalist Perspectives* 41, pp18-19

4 For the IBRP's views on the emergence of the World Party see *Internationalist Communist* 19 and 20

Social Class and Education — the Preservation of Inequality

When Tony Blair first announced that his priorities were “Education, education, education” the naïve might have thought that he was actually interested in creating opportunities for the youth of Britain. Since then we have not just had “a raft of new initiatives” but an entire fleet of them. Education, with its “new” emphasis on learner-centred approaches, which supposedly tailor the educational process to the individual, inclusivity and equality of opportunity, is a prime weapon in New Labour’s arsenal to create the illusion of a socially concerned society which bears little resemblance to the “nasty” capitalism Marx criticised in his day. However, the reality of general working class educational failure and the lack of evidence for any social mobility brought about by the expansion of education over several decades reveals the educational system for what it is, another aspect of capitalism’s mechanism to maintain the privilege of the ruling class at the expense of the working class.

An accident of birth

If approximately half the population is male, yet men occupied 70-80% of university places, the cry of sexism should quite rightly be raised. If 75% of “whites” and only ten percent of people from ethnic minorities went to university, then the cry of racism would ring in our ears. However, it seems that one glaring inequality is hard for our society to approach, that based on social class. If the words racism and sexism denote an unacceptable attitude and activity, capitalism and the class system do not, at least for those who currently run society, carry the same negative connotations. But the terrible reality is this: *by mere accident of birth, one’s potential as a human being is virtually decided.* For in the words of Chris Woodhead¹

Three out of every four young people from professional families go to university. One in ten working class kids makes it. So much, as I have argued elsewhere in this book, for equality of opportunity... the children of the poor are not by definition more stupid than the children of the rich. More students from, to use the Higher Education funding Council’s discrete terminology, “low participation neighbourhoods”, ought to be studying at university. It is a scandal they are not.

He goes on to state²

... the equality of educational opportunity that matters so much to the left is in reality a sick joke. The majority of inner-city schools offer a desperately inadequate education. Most parents who can afford to do so already send their children to private schools or move to more affluent areas. Poor families cannot do this; there is no equality of opportunity. The system as it exists today is desperately unfair.

Although Woodhead is a Tory and thus fails to locate the “left” firmly within capitalism’s orbit (His “solution” to the failure of the state system to provide education for all is privatisation!), his critique hits the mark in certain respects. The communist perspective does not allow for any mythical neutral areas within class society: like all of the State’s apparatus, education provided by capitalist states exists because it benefits capital, it is supposed to provide the workforce capital requires, it reinforces capitalism’s ideological façade and acts against the interests of the working class.

It is necessary to state that it is not only a question of class. However, the barriers of gender and race are far less impervious than class. At undergraduate level, women, those from minority ethnic groups, and mature students are no longer under-represented overall, though this is still the case in particular subject areas and in some of the most prestigious Higher Education Institutions. Above this level

however, women and minority ethnic groups remain massively under-represented. They are significantly scarce at doctorate level, under 10% hold professorships, and as Vice-Chancellors, they are so rare as to have curiosity value.

The issue of social class is the most important of the challenges which education and society as a whole faces, and a simplistic approach avoiding the social totality will never alter the basic reality of working class disadvantage. The solution to the conundrum, should the working class ever break free of the suffocating reformist claptrap which never delivers its promises, entails a radical change so profound that the totality of society will have to be set upon new foundations. The solution is political. There is no other way to tackle the question of class. The perspective that education is an integral part of the current capitalist system, therefore necessarily serving interests other than those of the working class, is the main thrust of this article and the only solution offered is the revolutionary overthrow of the power of the capitalist class. There are no schemes, no compensatory palliatives that will reverse the situation.

The educational crisis is a capitalist crisis

Recently, the topic has become newsworthy with the establishment in April 2003 of the Office for Fair Access which so far has stated its intention to fine universities for not taking in more students from disadvantaged backgrounds. Also, the trickle of reports of teacher unrest continue to make headlines, a recent case being threatened strike action over the use of classroom assistants to replace trained teachers. Marxists view industrial action by teachers and more recent industrial action by

lecturers in further education within the context of the general malaise of capitalist society. Rather than the trade unionist approach of containing and isolating struggles to certain sectors of the workforce, Marxists place the educational crisis within the reality of generalised and profound crisis manifesting itself on all levels of society, including the classroom³. It is in fact the social crisis emanating from the growing difficulty in conducting the capitalist process that is afflicting the totality of society including teachers, parents and pupils alike.

Constantly changing government initiatives, unbearable workload, poor pay, unruly pupils and lack of status are often cited as reasons for the large numbers of teachers leaving the profession, and the discontent which has finally produced an all too limited response in terms of industrial action. Some 50 000 teachers left full time posts in 2000-1, twice as many as during the 1998-9 period. New Labour who placed education in prime position during their electoral campaign first time around, has, not surprisingly, failed to stop the rot. The teacher recruitment crisis is set to last into the foreseeable future⁴ as over 80 000 teachers are currently aged over 45. It is also some indication of the less than attractive prospect of joining the ranks of the teaching profession that a comparable number, over 80 000, have qualified teacher status yet have never taught in a secondary school. Without further delving into the world of statistics, a dangerous occupation for revolutionaries deprived of the means to gather our own, it should come as little shock that a large percentage of new teachers quickly leave the profession within less than five years.

London, due to its higher cost of living, is seeing a veritable exodus from the profession. Although government has started to preen itself about finally turning around the recruitment crisis, more discontent has been unleashed by news that budget shortfalls mean that existing teachers cannot be kept in work. At the time of writing (July 2003), Charles Clarke, labelled a "conman" by the NUT, has called for a clampdown on the numbers of teachers climbing up the pay scale in order to save money. Now government is contemplating scrapping the GCSE and A level system (which is only in its third year of AS and A2 levels) and introducing a new diploma model which will inevitably generate further amounts of preparation and render previous work obsolete, if it is ever introduced.

The main reason this "scandal" is rarely given the attention it deserves, is that the class system when it is acknowledged to exist at all, is an indictment of the entire economic foundation of all existing societies, and admitting there was a problem might wake up working-class consciousness to the reality of class society. This would become a threat to the wealth and power of the ruling class.

The working class

In order to understand the real depth of the issue, it is necessary to consider the working class situation, which as long as capitalism exists, retains its essential features. Despite the ruling class' attempts to abolish history, it continues to take its course. The working class is capitalism's product, it owns no means of production but is obliged to sell its labour power, having no control of the product of its labour.

It inhabits an alien society⁵

All these consequences are contained in the definition that the worker is related to the product of his labour as to an alien object. For on this premise it is clear that the more the worker spends himself, the more

powerful the alien objective world becomes which he creates against himself, the poorer he himself – his inner world – becomes, the less belongs to him as his own.

Developing the theme

If the product of labour is alienation, production itself must be an active alienation, the alienation of activity, the activity of alienation... in his work, therefore, he does not affirm himself but denies himself, does not feel content but unhappy; does not develop freely his mental and physical energy but mortifies his body and ruins his mind.

It is little wonder that the offspring of people whose productive capacities are reduced to commodities, selling themselves (for there is no other way to sell labour power) find it difficult to compete on academic terrain, and any other terrain, for that matter, with the children of privilege. And remember half of university entrants are from private schools. Where are the role models for the working class children? How many people born into the working class become head of huge companies, judges, top and senior civil servants, high ranking academics, professionals, and the like? What are the odds on making it through university for the one in ten who enter? Without the support which an affluent family can provide, university can be an unpleasant experience, a time of acute poverty often leading to what from a working class perspective is a huge burden of debt. Small wonder drop out rates are high. What are the chances of achieving a highly paid occupation requiring degree-level ability for those students of working-class extraction? For the working-class graduate does not have the connections the bourgeois sons and daughters have. The funnel progressively thins and is so daunting as to become a poor choice for an astute mind aware of the economic realities of life.

A harsh reality with an important bearing on the theme is that qualification levels alone do not determine occupational reward. High qualifications, in and of themselves, do not lead directly to highly paid jobs. If this were so, then the arduous task of obtaining these qualifications might appear a more attractive prospect to those hungry to leave the misery of the working class condition

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and capable of the academic rigours involved. There is considerable evidence to show that⁶

educational qualifications are far more valuable on the job market to the white male than the white female, to the white male than to the black male, to the middle-class male than to the working-class male. The apparent connection between occupational reward and educational qualifications is simply due to the fact that in general white middle-class males obtain higher educational qualifications than other social groups and also obtain higher occupational awards.

As the popular saying goes "It's not what you know, it's who you know." For those bright offspring of the proletariat, this is a very limiting factor. In fact it is a limiting factor for all those who do not go to Oxbridge since a graduate from Oxbridge will begin by earning at least 10K more than an equally qualified graduate from any other University.

The educational problem of the working class and their all too limited university entrance stems from the earliest years at school. Here they face a system which is frequently accused by its detractors of serving the needs of their future exploiters, the capitalist employers⁶

the hidden curriculum produces a passive and obedient workforce which accepts authority without question.

When working class children do succeed, they have to pay a price that the children of privilege do not⁷.

The only way in which these children can then succeed in the present system is by acquiring the procedures, rules, expectations and language of the middle-classes, not because these forms are somehow inherently superior but because they are perceived as 'natural' and 'universal' by middle-class teachers, who, in general, have not acquired the critical consciousness which most working-class children appear to have acquired at an early age.

Without family input, the academic challenge of schooling is increased, without role models the motivation has to be stronger, without clear final goals the temptation to follow the mass of working-class children into

the world of work that much more tempting.

Capitalism attempts to legitimise its rule by denying the reality of exploitation and oppression of one class by another, it seeks to create the mythology of fairness and equality whereas in reality there is only the grossest privilege and inequality. Freedom and democracy cry the paid prize-fighters of capital, you have equality of opportunity, you can be all you want to be. Here the role of education in legitimising, thus preserving a "scandalous" situation has to be tackled. The ideological smokescreen, which obscures the true nature of capitalism, is produced not in a minor way within the educational establishment. The myths that wealth and power are based on merit are implicit within the educational ideology that those at the top deserve their place whilst those beneath have themselves to blame, that they only needed to apply themselves within a system guaranteeing educational equality of opportunity to rise to the heights they were capable of. Little space is given in the curriculum to the critique of capitalism, the fact that economic success runs in the family, that privilege breeds privilege. So many school and university texts give a falsified perspective on capitalism, creating illusions in reformism, obscuring the capitalist nature of the ex-USSR, China *et al.*

The real function of education under capitalism

The exposition above all lends weight to the viewpoint that education serves the needs of the wealthy minority to the detriment of the majority. However, it is also necessary to point out that despite the inequality, despite the early socialisation into an environment characterised by fatalism, lack of control, lack of long term goals, lack of financial security, what some have called "cultural deprivation" despite the meagre intellectual resources at home or in the

surrounding environment, the offspring of parents whose vocabulary and conversation is limited to the working class experience of life, some working class people succeed in higher education and go on to take positions outside of their class of origin (or more probably, better than their parent's position but still within the same class). This cannot be denied. However, this does not mean that inequality does not exist. It means that it is not impossible to succeed in today's society, but still improbable, in fact extremely highly improbable, *if you were born into the wrong family.*

But can we accept the possibility of an insignificant minority leaving their class of origin as being indicative of success? Does this mean we have equality, or even equality of opportunity (equality and diversity in the more up-to-date vernacular)?

The champions of capitalism refuse to acknowledge the reality of the class divide between bourgeois and proletariat, they see only free and equal citizens. For them, the system is the pinnacle of human civilisation, the end of history, an eternal mode of production. For others, the reality is one of a decaying system dragging society into barbarism, a decadent mode of production beyond all redemption. Subscription to one of these views of capitalism (even the label is hard to accept for some), shapes attitudes on every issue arising within capitalist society. If the totality is accepted, then the constituent parts are acceptable, perhaps in need of this or that change or reform, but nevertheless basically sound. Thus it is with the education system. If one

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accepts the premise that capitalism is eternal, that there is no other social arrangement possible or worthy to replace it. then the question is the gradual and constant attempt to improve the existing society. Charles Clarke Secretary of State for Education and Skills may recognise that⁸

Expansion of higher education has not yet extended to the talented and best from all backgrounds. In Britain today too many of those born into less advantaged families still see a university place as being beyond their reach, whatever their ability.

But for the party to which he belongs, the solution is not a break with capitalism.

However, in the socialist perspective, the socialist perspective that regards the classless society as its goal and the capitalist system as the root of the inequality, the principal victim is the working class whose labour is exploited. Capitalism's internal contradictions are plunging society on a global scale into a crisis which rules out significant reform and ultimately will lead to its downfall at the hands of the pauperised international working class, or the destruction of world war.

The education system can help to create minds that are capable of rising to the challenge of the revolutionary superseding of capitalism, but this will be an indirect benefit of a system that is principally arranged to meet capitalism's needs. Thus it is with all of capitalism's productive forces. Only potentially do these advances benefit the producers, actually they serve one goal only, to increase the return on capital. Justifications for capitalism, not the socialist message will be the educational system's main theme whilst capitalism holds onto the reins of power⁹.

The ideas of the ruling class are in every epoch the ruling ideas, i.e. the class which is the ruling material force of society, is at the same time its ruling intellectual force. The class which has the means of material production at its disposal, has control at the same time over the means of mental production, so that, generally speaking, the ideas of those who lack the means of mental production are subject to it. Despite all the mystification about inclusiveness, the reality is division,

the privilege of the minority and exclusion from power and privilege of the majority. One-nation rhetoric like Blair's is an attempt to paper over the class divide. The "third way", the appeal to nationalism, equal opportunities and all policies outside of the revolutionary break with capitalism seek to divert workers from a struggle against the capitalist system.

Education's mythology can be difficult to penetrate but our message is brief:

The end of inequality will come with socialism, the classless society, or not at all.

Ant

Notes

¹ Until 1998 Woodhead was the Tory-appointed head of Ofsted. The quotes are from his curiously named book, *Class War*, 2002, p142

² *Class War* p187

³ Of course this is an international phenomenon. For in the May 2003 edition of *World Revolution* (paper of the International Communist Current), speaking of the French government's anti-working class assault, "Part of this strategy involved provoking one sector in particular: the education sector, via several supplementary attacks: the suppression of jobs for younger teachers and supervisors whose work brought some relief from increasingly harsh working conditions; the attack around the issue of 'decentralisation', which placed around 110 000 education workers in an extremely precarious job situation".

⁴ It has been calculated by official sources that the teaching profession needs to attract 10% of all graduates in order to break the shortage crisis. This, by their own admission, is not going to happen and schemes to recruit huge numbers of "classroom assistants" are under consideration, another point of friction between teachers and government.

⁵ From Marx and Engels - *The German ideology*, Lawrence and Wishart, 1974, p16

⁶ *Sociology, Themes and Perspectives*, M. Haralambos, 1991, p243

⁷ *Equal Opportunities in Music* (Pratt and Stephens, 1995)

⁸ from the Government's White Paper on higher education.

⁹ Karl Marx – *The German Ideology*, P64

Attacks on the Social Wage in Europe

In RP29 we printed an article entitled "Pensions and Social Benefits under attack" which described the strikes against pension cuts in France and Austria. We pointed out how the attacks on pensions were part of a more general drive throughout Europe to reduce the social wage. We pointed out how, in terms of Marx's analysis of political economy, these cuts amount to a reduction in the cost of labour power and represent an attempt to increase profit rates on European capital. These cuts are an outcome of the general crisis of capitalist production which expresses itself in the

tendency of the profitability of capital to decline. Similar attacks have been taking place in other European countries including Britain and Italy. In Italy they have been met with struggles by large sectors of workers. We are printing below a short account of such struggles in Italy from the paper of the Internationalist Communist Party (PCI) Battaglia Comunista which is the sister organisation of the CWO in the International Bureau for the Revolutionary Party.

A Hot Autumn for Pensions

In September large-scale manoeuvring for the *n*th reform of the pensions system began. Notwithstanding the fact that the social security balance for employees is not yet in the red (the so-called deficit is solely due to the improper burdens placed on it which serve as financial support for the companies), the government considers that spending on pensions is being progressively reduced because it is incompatible with the state budget. It is an old thesis supported by the left when it was in government and it is the thesis of the whole European bourgeoisie that has put the attack on social spending of all forms on the agenda. In every European country spending is being cut on health, pensions and education. Now it is the turn of the centre-left who, in early September, began to define the provisions which would soon be transformed into law, with modifications stemming from negotiations with the unions. In order of importance, these are:

- a) between 2005 and 2008, the minimum age for the right to a pension will be reduced to 60 years, with a minimum of 40 years of contributions required¹, thus, in fact, abolishing old-age pensions;
- b) an incentive, of about 30% of their wages, for workers to shut themselves up in their workplaces beyond their 60th birthday will be introduced;

- c) the present "windows"² which still permit retirement on the grounds of age will be reduced from four to two, or even one;
- d) there will be a further reduction in invalid benefits (which will be presented as a manoeuvre against those falsely claiming);
- e) the pension calculations for public employees will be put on the same footing as for those in the private sector, in the name, according to the government, of equity and justice (never mind that the parliamentary deputies and senators will continue to enjoy a pension six or seven times that of an ordinary worker and that this is obtained after only a very few years in parliament);
- f) the compulsory contributions of the workers with the least rights and worse pay of any on the labour market (workers under the *collaborazioni coordinate continuative*) will be increased.

Naturally, the various actors have already begun their performance: the government proposes the reform in the name of reconciliation between the generations, between young and old workers; the unions, together with the

opposition, weep and protest but recognise as sacrosanct the necessity to once more alter the social security system given the progressive aging of the population. And, in the stalls, the workers keep quiet, taken up with the many and great economic difficulties and with the struggle which they should make together, but is reduced to an individual struggle, day to day, against their own colleagues in the attempt to survive at the expense of the others. Exactly as the bosses and the unions wanted when, in the '80's and '90's, they together elaborated their strategy for the transformation of the class into an agglomeration of individuals in an exclusive and individual relationship with the unions themselves and the companies. Do you remember? The slogan was: "one worker, one work contract", and meant that the class struggle and every collective workers' interest whatsoever no longer had a reason to exist. Now they are harvesting the fruit with an impotent proletariat which fails to recognise itself as a class which should struggle to defend itself from the incessant attacks of the bourgeoisie.

We are advancing, on this road too, towards a future social disaster. Young proletarians, facing the widening occurrence of intermittent, precarious, badly paid work without any rights, are surely destined for a future of poverty when they retire under a system of pension calculations which only takes account of the time actually worked

over the whole of the working life, and, in the best of cases, that is, with 40 years of continuous employment, will give them roughly 40% of their final wage. The great debate over integrated pensions, as those that understand the function of pension funds well know, is a wild goose chase for those who are already constrained to spend all or nearly all their wages to get by and it is certainly not the forced use of redundancy pay for pensions that will change the situation. To have an integrated pension it would be necessary to pay out monthly figures which are literally unsustainable for an ordinary worker. In the end, the pension becomes an unreachable mirage for everyone, including the oldest workers, as 40 years of contributions will be needed in the near future.

In the name of the third and fourth age, today seen by bourgeois advertising as a carefree and enjoyable extension of youth, the need to work more and more years is being imposed on the

proletariat, until the exhaustion of their vital energy. From the workplace to... the tomb, that is the aim of the next pension reform and those yet to come.

Notes

1 (translator's note) the present thresholds are 57 years and 5 years' contributions, respectively. Taking account of the high number of workers who were expelled from the productive process in Italy, the author reaches his conclusion that this means the end of the old age pension.

2 (translator's note) dates which allow people to start claiming once they've reached the appropriate age. If, for example, there was just one window on, say, 1st October, then people with birthdays the following week would have to wait almost a whole year before claiming their pensions. If uniform numbers of people were born at every

part of the year, with four windows the average wait for a pension would be one and a half months, and with one window, the wait would be six months — a saving for the state of four and a half months pay per pensioner, without even taking account of those pensioners who die in that four and a half months!

...and in France

Taking advantage of the summer and many workers' holidays, the French parliament has finally approved the controversial pension reform proposed by the Raffarin government. French workers opposed the reforms with a great deal of energy, and the public sector workers were in the front line. But neither the million and a half demonstrators who invaded Paris on 10th June, nor the eight general strikes which brought the country to a halt succeeded in preventing the reform. According to the new regulations, 37.5 years of contributions are no longer enough for state employees to enjoy the right to a full pension, and 40 years are now necessary, as in the private sector. And there are already plans to make things worse, hitting all workers, public and private, to the extent of asking for 42 years of contributions before the right to a pension.

The CWO's Basic Positions

1. We aim to become part of the future world working class party which will guide the class struggle towards the establishment of a stateless, classless, moneyless society without exploitation, national frontiers or standing armies and in which the free development of each is the condition for the free development of all (Marx): Communism.

2. Such a society will need a revolutionary state for its introduction. This state will be run by workers' councils, consisting of instantly recallable delegates from every section of the working class. Their rule is called the dictatorship of the proletariat because it cannot exist without the forcible overthrow and keeping down of the capitalist class worldwide.

3. The first stage in this is the political organisation of class-conscious workers and their eventual union into an international political party for the promotion of world revolution.

4. The Russian October Revolution of 1917 remains a brilliant inspiration for us. It showed that workers could

overthrow the capitalist class. Only the isolation and decimation of the Russian working class destroyed their revolutionary vision of 1917. What was set up in Russia in the 1920's and after was not communism but centrally planned state capitalism. There have as yet been no communist societies anywhere in the world.

5. The International Bureau for the Revolutionary Party was founded by the heirs of the Italian Left who tried to fight the political degeneration of the Russian Revolution and the Comintern in the 1920's. We are continuing the task which the Russian Revolution promised but failed to achieve — the freeing of the workers of the world and the establishment of communism. Join us!

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