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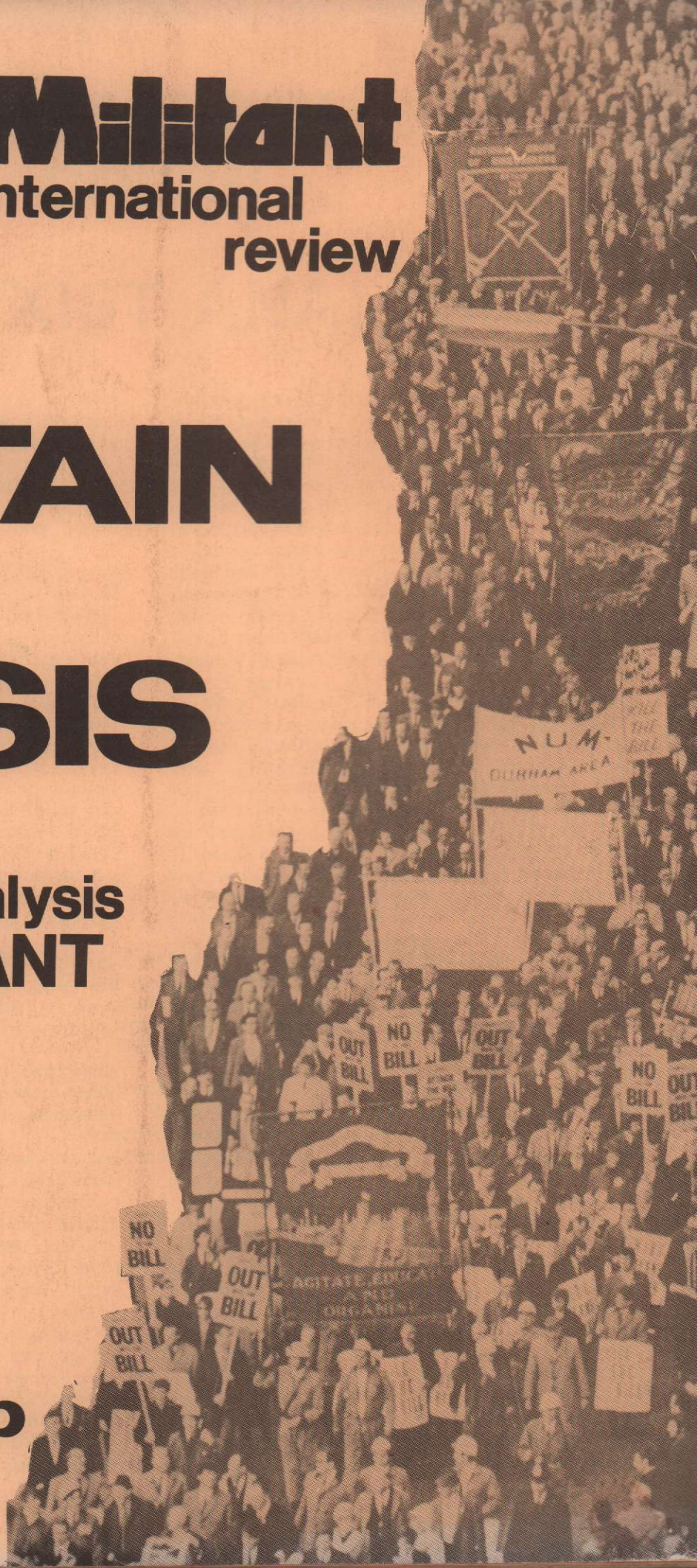
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BRITAIN IN CRISIS

a marxist analysis
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BRITAIN IN CRISIS

A MARXIST ANALYSIS

The economic situation in Britain over a period of two or three decades has been marked by a slow and progressive decline in the power and economic viability of British capitalism. It is perhaps an indication of the crisis of world, as well as British, capitalism that the political strategists selected by the bourgeois are singularly obtuse in comparison with their recent predecessors.

Reagan and Thatcher's policies are an indication of the crisis of Anglo-Saxon capitalism in the field of political and economic theory as well as in the economy. The economic situation has undergone a qualitative change resulting from the use of "monetarist" quackery to solve the short term and long range crisis of British capitalism.

What would have been a recession in Britain similar to those that have taken place in the other capitalist countries, albeit perhaps of a somewhat deeper character, has turned into a depression, an absolute disaster. The fact that the slump in manufacturing output has fallen below the 11% drop recorded in the 1929-31 depression to a 20% fall between 1979 and 1981 is an indication of the absolute catastrophe that has been brought on British capitalism by the measures that have been undertaken by the present leader of the Tory party.

In the impasse in which they find themselves, the ruling class have turned to measures of magic to try and transform the situation. There are some big companies that actually have astrologers on their staff for the purpose of predicting the future!

The measures of Thatcher have had a particularly disastrous effect precisely because in the present period of capitalist decay there has been a complete integration of big business with the state.

In order for the market to have full sway as Thatcher, Joseph, Friedman and Co. have vainly wished it would require a nineteenth century organisation of production and above all a check on the monetary system through the existence of the gold standard. But the abandonment of the gold standard in itself was an indication of the crisis which has affected world and British capitalism.

In a period where the measures of the state have an enormous effect on the economy and on business, the attempt of Thatcher to return to an economy on a nineteenth century basis where the market would dominate was bound to be an absolute catastrophe for British capitalism. To imagine that by assisting the development of small businesses, in words, they could compete

with the giants that exist in other countries of the world is plain nonsense.

It is, as the serious economists have pointed out, a lack of investment, a lack of new plant, machinery, products and processors that is at the root of the special crisis of British capitalism within the framework of the world crisis of capitalism.

But the refusal to invest is not at all accidental, it arises out of the situation in which British capitalism finds itself. It is the peculiar way in which banking and finance capital has dominated Britain and the lack of links between industry and finance which is one of the causes of the crisis that exists of British capitalism at the present time.

What Thatcher faced was a lack of international competitiveness on the part of British capitalism. Out of 19 main industrial countries in which the US, Japan, West Germany and even Switzerland, are ahead of Britain, Britain was only 9th in competitive power.

British productivity of labour is still only half that of the West Germans and Americans, and only two thirds of that of the formerly backward French. This is not because of the superiority or the harder work of the Germans, Japanese or the French, but precisely because of the lack of investment.

In a particularly crass and crude fashion what the Thatcher government partly had deliberately in mind was first of all to shatter the power of the trade unions, by allowing unemployment to develop, on the one side and on the other side to allow the destruction of a part of British industry. In the words of 'Management Today', echoing the words of Mrs Thatcher: "In a new and slimmer form, industry must use the waiting time to take advantage of the move towards the upturn." But that is a complete illusion on the part of the economic witch-doctors and especially the ignorant Joseph, Thatcher and Howe.

Joseph boasted in America about the low wages that the British workers enjoyed. The lowest wages of workers of any of the main industrial countries of the world. These strategists of capital together with the businessmen that they represent have forgotten the history of their own country. The attempt to use low wages in India, Africa, Europe and so on as a defence against British goods in the nineteenth century was completely ineffective. The investment in machinery, technique and the other needs of modern industry which were invented first of all by the British acted as a battering ram which broke through all the attempts on the part of the rivals of British capitalism to hold back the tide. On-

ly when they themselves were compelled to adopt the same tactics and invest in modern industry have they succeeded in undermining British capitalism's once dominant position.

The Japanese have succeeded in conquering a great part of the world market and defeating their rivals only because of the massive investments that the banks and the handful of monopolies that control the greater part of Japanese industry have made.

Now even the advantages of a plentiful supply of gas and oil are being frittered away. Cheap labour cannot stand up against modern industry, that is the lesson of the past.

In vain does 'Management Today' declare: "Following the near disastrous shake up of the economy we grasp the opportunity now to prepare."

The contradictions of the system and the lunacy of the domination of the market is shown by the fact that as a consequence of the possession of oil, in spite of the disastrous state of British industry, the Pound rose which in turn has meant cheaper raw materials and cheaper imported foodstuffs.

While this might have been a boon to finance capital it was not at all welcomed by manufacturing industry. The enormous rise of the exchange rate meant as a consequence that export prices rose. In the third quarter of 1980 the index of exported prices on mechanised machinery rose in Britain to 158 from 100 in 1979, that is a rise of 58%. In West Germany the rise was only 23%, in the USA 8% and in Japan there was no change. The average price of UK exports of machinery rose in the first nine months of 1980 in sterling by 14%, compared with Japan 14%, USA 11% and West Germany only 4%.

The development of inflation and the increase in interest rates and rent, with the tendency of the rate of profit to fall, has had as a consequence a fall by nearly a third in the rate of profit, as the bourgeois economists measure it, on capital and UK manufacturing industry between 1960 and 1972. By 1976 it was only one third of the 1956 level and by the mid 1970s, pre-tax real rate of return of industry and commercial companies was down to 5%-6%. If industry had been taken alone it would have been at a far lower figure than that.

As a consequence there was an enormous flood of investment overseas. Thatcher's policies of allowing the development of capitalism without restrictions, has resulted in £7,000 million in 1980 being invested abroad, an absolutely staggering sum. This will probably be exceeded in 1981.

The difficulty for capitalism lies in the fact that whatever they do will still result in disastrous consequences. If the pound is allowed to fall that will mean inevitably higher prices of imported manufactured goods, raw materials and food and in return would give a lift to inflation. If the pound rises then it weakens the hold of manufacturing industry on the world market.

Thatcher, Joseph and Co., after the debilitating experience of the last three decades of policies of stop-go—have now changed this into a policy of stop, stop, stop!

According to all the serious economic forecasters, for some years industrial output will not reach the level of the 1970s and unemployment could reach 3, 4 or even 5 million.

Steel is a rough index of industrial capacity, and the projected production of steel in the 1980s was from 35 to 40 million tonnes. In fact in 1983 there was supposed to be a production of 37 million tonnes. Now in 1980, the production of steel has been less than that of little Belgium, and half that of formerly backward Italy. 11,267,000 million tonnes was produced. This is an absolute catastrophe, Thatcher has turned what would have been a recession, a small slump, into a depression worse than that of the 1930s.

We give below the capitalists' figure of the real rate of return on trading capital, that is after allowing for inflation:

1970	1971	1972	1973	1974	1975
8.6%	8.8%	9.3%	9.1%	5.2%	5.3%
1976	1977	1978	1979	1980	
5.5%	6.3%	6.3%	4.7%	2%	
					(3rd quarter estimate)

All the measures of Thatcher have been disastrous. She came to power promising the bourgeois lower taxation, in actual fact taxation now takes a higher slice of the national income than in 1979 under the Callaghan-Healey Labour government. Inflation is much higher than it was in 1979. There are 3 million unemployed, one in five of the youth are unemployed.

In addition as a consequence of the measures of Thatcher's government investment, according to the Bank of England, fell by 22% in the first quarter of 1981 below the already low average of 1979, even if certain allowances were to be made for the distributive industry and the manufacturers who are not buying directly machinery but leasing it from firms. But at the same time that there was a fall in industrial investment in manufacturing industry there was an increase in fixed investment in distributive and service industries of 10% above the average of 1979. Over the last ten years, distributive and service investment has become twice as high as that in manufacturing industry. In the first half of the 1970s it was only slightly bigger.

The Bank of England soberly projects that in 1981 there will be a further fall of 15% to 18% in investment in manufacturing industry and a further fall of 11% to 14% in 1982 even allowing for a certain measure of leasing. Manufacturing investment for the first quarter of 1981 in fixed investment is 20% lower than the first quarter of 1980. At the same time, in distribution and service industry it is 5½% higher in the first quarter of 1981 than in the similar period of 1980.

The CBI is pessimistic seeing a decline in real profitability to barely 2% allowing for interest charges, rates and so on.

Manufacturing production for the first quarter of 1981 declined to 16% below the quarterly average for 1979. Manufacturing accounts only for 25% of the value of domestic production. At the same time the attempts of the Thatcher government to cut down government borrowing to £8.5 billion failed completely with the public sector borrowing requirement being estimated at about £13 billion for this year.

Even allowing that there will not be a great rise in manufacturing industry in other countries of capitalism, these figures mean that at the end of the recession, despite all the Herculean measures of Thatcher, British industry will be even less capable of competing on the

world market than it is at the present time. And so the vicious circle goes on on the basis of capitalism.

Nevertheless, the City of London and the stock market sharks have succeeded in making enormous fortunes in this period of capitalist decline. In the five year period up to 1981, the per annum percentage rate of return to UK investors on the stock exchange, including the premium, for the five years to the end of 1980 was in:

Hong Kong	South Africa	Britain	Australia	Canada
33.2%	22.9%	19.9%	17.9%	16.2%
Japan	USA	France	Switzerland	Germany
15.8%	10.1%	9.9%	8.8%	4.7%

These figures are very instructive in showing the sickness of British capitalism and the advantage that nevertheless accrues to the stock exchange swindlers, the property speculators and other dabblers in the service industries.

In 1964 the main industrial countries production rose by some 5.5% and their exports by 10%. The difference in the situation can be seen when this is compared to the sober economists' projections for the future. The OECD forecast for 1981 is that there would be a "permanent change in the level of economic expectations". From the fourth quarter of 1971 to the fourth quarter of 1980 industrial production of the EEC fell by 5.4% to a real growth in domestic products by 1%.

Industrial production is not expected to gain the peak of previous years until the end of 1982. Then after that the rate of recovery will be much slower than that following the first OPEC oil crisis in 1973.

The EEC it is expected, will have even more modest growth rates over the next 5 to 7 years than the average of 2.8% achieved per annum since the UK, Ireland and Denmark joined in 1973. This is the figure for the EEC as a whole, for Britain the figure will therefore be much lower.

The measures of Thatcher of the deliberate destruction of antiquated and inefficient parts of British industry merely exacerbated the problems which British capitalism will face. The OECD gives the following figures for annual growth in productivity in the years 1973 to 1980:

Japan	Germany	France	Italy	UK	USA	Canada
3.5%	3.1%	2.7%	1.9%	0.4%	0.0%	0.0%

It is these figures which are an annihilating indictment of the economic system of capitalism. From the world market there will be no succour for British capitalism. Neither the burdens which are being put on the masses in Britain nor the millions of unemployed in any way solve the problems which British capitalism is facing.

A visit to the West End of London nowadays is very instructive in showing the decay of British capitalism. It looks like Berlin in the days of the 1930s before the coming to power of the fascists. There has been a proliferation of restaurants and pornographic shops, catering for every bizzare taste. The capital like the rest of the country is run down and seedy looking more like the capital of what the British bourgeois in their heyday would have referred to sneeringly as "banana republics" rather than the capital of a modern, industrial state. Catering, tourism and the service trades now have a big

section of the economy. Catering and tourism alone employ over 1½ million people! There has been a decline in decisive sections of British industry. This has resulted in a 25% decline in the numbers of workers employed in industry since 1970.

The attempted transformation of Britain into a rentier country with finance capitalism, tourism, property speculation and investment abroad, is clearly hopeless in the epoch of the decline of capitalism on a world scale and the decline of industry in Britain.

The real situation in British industry is shown by the grim figures of the loss of jobs in manufacturing industry. Over two years, 1979 to 1981, one in six jobs in manufacturing disappeared in Britain, that is over 16% of jobs. In accurate figures that means that one million one hundred thousand jobs vanished in this period!

This after a loss of one million jobs in manufacturing in the decade of the 1970s! That is to say over two million jobs have been lost within the space of ten years. In the last two years, the workforce in manufacturing has fallen by over 26% and textiles over 23%. There has been a sharp decline in clothing, footwear and mechanical engineering.

Mrs Thatcher tries to find a consolation in Britain in the fact that old industries were disappearing while the modern industries were meant to be flourishing. In actual fact in the most modern industry of electronics, of computers, communications systems and office equipment Britain holds only 6% of the world market. But for this 6% Britain only supplies 50% of the home market.

On present trends it is projected that Britain will only have 35% of the home market by 1990 and therefore that by 1990 there will be a trade deficit of over £1,000 million in these industries. There is only one electronics firm according to an enquiry by the National Enterprise Board that had even the possibility of competing in this field.

The world market for information technology products such as computers, communication system and office equipment is expected to double in real terms in the next five years, reaching a total of £105 billion. In this market Britain will be an also-ran. Britain can only supply half its own needs and therefore is not in a position to compete on world markets.

The enquiry by the NEB declared that the main weakness was in management. Management attitudes in much of British industry compare entirely unfavourably with the attitudes of management in the US, France and Germany. Thus it is the sickness of British capitalism that produces this situation, it is not the responsibility of the working class. It is the failure of the ruling class to invest on the one hand and the complete decay of British management on the other hand.

There are no measures that can restore the health of British capitalism. Neither monetarism and deflation, nor reflation, which would mean inflation, can succeed in preventing a further inglorious and steady decline in the power of British capitalism. This decline is now proceeding at a faster and faster rate. Though, of course, in some industries, particularly the modern industries of electronics, chemicals and plastics the British bourgeois might succeed in maintaining its share in the world market. There will be a further steady decline of British capitalism. This is especially so as this is taking place in

a period when the whole of world capitalism is faced with problems of a slow-down in growth during times of booms and of steeper falls at the times of slumps.

All that British capitalism hopes to offer is cheap labour and that means a further decline in living standards. Of course both in relation to the economy and to living standards there will be ups and downs. But even in periods of boom there would be a further decay of British capitalism in comparison to her rivals. We have entered the period of the irreversible decline of British capitalism. Even if a "world boom" develops during or probably at the latest by the end of 1982, this can only have a marginal effect as far as British capitalism is concerned.

The marginal ups and downs are nevertheless of enormous importance politically. An increase in economic activity will provoke an explosion of class struggle as the workers fight to get back at least a part of what has been taken away from them by inflation and low wage increases during the course of the Thatcher government.

In Australia, though the minimum of publicity has been given to this by the popular press, as a result of an exceptional boom (in relation to the general world crisis of capitalism) due to the development of Australia's mineral wealth, an increase in production of about 4% has resulted also in an explosion of the class struggle. The workers have attempted to get their revenge for cuts in living standards and for the measures that the Fraser Tory government took against the trade union rights of their organisations. It will not require a boom of even 4% but 1% or 2% for explosive results to develop as a consequence in Britain.

We have seen since 1970 one parliament governments instead of the 'normal' two parliament governments. This was a reflection of searching for solutions, the restlessness and dissatisfaction of all classes, including the ruling class.

During the economic upswing the capitalists' division of the surplus with the workers could take place on a more or less amicable basis. With the decline of British capitalism the system cannot now afford reforms except for limited periods and again temporarily under the pressures of a mass upsurge of the workers and the class struggle.

Nevertheless, enormous resources have been accumulated during the economic upswing, even in Britain, and these should not be forgotten. In addition there is the enormous new resources of oil and gas which will serve Britain at least for the next decade or two. Therefore temporarily to check an offensive of the workers, reforms will be granted in order to break revolutionary movements. But nevertheless the decline of capitalism will continue and basically the tendency for living standards to decline also will continue.

British capitalism has been reduced to an almost semi-colonial position where they are compelled to rely on low wages, lower than any other industrialised country. But low wages cannot serve in today's markets because of the enormous productivity which has been

developed by the investment of new capital. In addition, Britain, from being one of the cheapest industrialised countries in Europe and the world so far as the price of foodstuffs and other consumer goods is concerned has now become one of the most expensive countries in Europe for these products. And this with wages lower than any of the other industrial economies!

At the same time the military industrial complex insists on increasing the strain on capitalism of useless expenditure on arms which in its turn has its effect on inflation while imposing new burdens on the masses.

A declining military power also, Britain more and more is becoming a fixed aircraft carrier and base of the United States and a partial satellite power of the US.

The masses' fear of nuclear war, and the tendency towards pacifism by wide sections of the petit-bourgeois and also the working class is seen in most countries of western Europe and also in Britain with the revival of CND. The Marxists will have to develop transitional slogans and ideas as far as these problems are concerned.

All these are symptoms of the crisis which is affecting all classes of society, particularly the working class and the middle class. Modern techniques mean that the holding down of the wages of the workers will be in vain. Low productivity compared to her rivals, especially Japan, will undermine British capitalism. As in the past, machinery will always defeat cheap labour. Now Britain is faced with the same problem as was faced by the other countries with the development of capitalism in Britain.

The inglorious decay of British capitalism has proceeded at a far faster pace than the decay of Spain after the collapse of her empire. Now from a medium industrial power, Britain is being rapidly reduced to a small industrial power, with a burden of a large surplus population who cannot be given jobs, who will be similar to the lumpen proletariat of Rome needing bread and circuses to hold them in check.

We are in the death agony of capitalism in the world and especially in Britain, which remains one of the main sick men of capitalism in the industrialised countries. However, the decline of British capitalism which has already been enormously protracted will be of a further protracted character because of the failure of the TUC and labour leaders to explain the seriousness of capitalism's organic crisis to the mass of the workers in the trade unions and Labour Party. It is this decisive factor, the subjective factor, which has kept capitalism in existence in the course of the last decades in the main industrialised countries of capitalism. This is especially the case in Britain where the working class has always been powerful but where the very development of capitalism in the economic upswing reinforced for a period the position of the reformist leaders in the labour and trade union movement.

The decisive change in the position of Britain over the period of the next decade, will be reflected politically in the organisations of the proletariat, in the proletariat itself, and among the classes as a whole.

CONSERVATIVE PARTY

The Tory Party has always been regarded as the main bulwark of British capitalism since the 19th century. They replaced the Liberals as the main party of capital with an agreement between land owning capital, which assumed less and less importance in the economy of the country, and finance and industrial capital. The Conservatives always managed to give a glossy veneer as a 'party of the nation' rather than as the open party of big business. Now the strategists of capital are playing with dynamite when they are undermining the foundations of the Tory Party by flirting with the financing and organisation of the Social Democrats.

This change in tactics on the part of big business is dictated by the political situation itself. The advent of monetarism has meant a qualitative change in the situation of Britain. It has been an absolute disaster. What should have been a recession has been turned into a catastrophe for British capitalism. This in its turn has resulted in a partial demoralisation of the ruling class itself. They are at their wits' end as to what measures to take, what miracle can be used for the purpose of rehabilitating British capitalism.

The stark reaction of the cold cruelty of Thatcherism is a reflection of the impasse of British and of world capitalism.

Now the figures for 1975 appear a paradise in comparison with the present state of British industry. With all the zig-zags in policy of both the 1970-74 Tory government and the last Labour government as well as the policies of the Thatcher government, British industry has, in effect, been in a depressed state for more than a decade. The 1970 figures of investment in industry now look high in comparison with the situation today! Even the figures of the late 1970s will not be reached again for another three, four or five years in real terms.

On the basis of the so-called Disraelian tradition, the Tories have succeeded in penetrating the inert layers of the workers as well as the mass of the middle class. One third of the workers even in the period between the wars and since 1945 have always voted Tory because of the traditions, in effect, of Tory reformism and the habit, custom and the tendency towards subservience which has affected sections of the working class particularly the unorganised workers.

However the main reason why large sections of the workers have remained under the banner of the Tories has been the failure of Labour governments in the post war period. Half the period since the War, 17 years, has been that of Labour Governments. As Lenin explained, one ounce of experience is worth a ton of theory as far as the broad masses are concerned. There is nothing in the experience of the backward layers that vote Conser-

vative to convince them to make the turn towards the Labour Party. On the contrary, the experience of post-war governments has resulted in enormous scepticism towards politics and politicians generally among the broad inert masses who only participate politically at times of crisis or in the course of elections.

Marx explained the ruling ideas of any society are the ideas of the ruling class and therefore before the general crisis of capitalism could develop it was natural that the ruling party of capitalism should still have behind it a large section of the proletariat, the mass of the petit-bourgeois and a big section of the population generally.

Habits of inertia, apathy, indifference have helped capitalism to maintain itself through the rule of the Tory Party in the past. The petit-bourgeois have been linked to capitalism in its support of the Conservatives as the traditional party of big business. The rank and file of the Conservative Party is largely formed out of the middle class strata of society. Although in reality the control of the Party and of its policy has always remained in the hands of finance capital and the bourgeoisie, and to a secondary extent the landowners.

Now, the strategists of capital are threatening to completely 'break the mould' of politics for fear of the leftward moving Labour Party. The Liberals in the strategy of capital since the Second World War formed a safety net in periods of Conservative government to prevent those sections disgusted with the Tory Party from swinging over to vote for the Labour Party. Thus the Liberals in the past tried to give an image of a radical aura, as a means of attracting this strata of the population as well as the disillusioned workers, and Tory voters. Now the Liberals are to a large extent discredited as another party of the 'establishment,' i.e. of the ruling class.

The stubbornness and stupidity of Thatcher, Joseph, Howe & Co. are a reflection of the impasse of British capitalism. 'Tina,' as she has been nicknamed, 'There Is No Alternative' is a reflection of hysteria, epilepsy and sickness on the part of British capitalism.

Correctly, these sections of the strategists of capital have seen that the path of Keynesianism and of inflationary policies are no solution to the problems that face world and British capitalism. Of course they cannot reconcile themselves on the other hand to see that their alternative is even more disastrous. There is no real alternative for capitalism but to stagger from one crisis to another for the whole of the rest of this century so long as capitalism continues to exist.

The deflationary measures of Thatcher go hand in hand with an increase of inflation at the same time. The economists had to invent a new term for this, stagflation—stagflation simultaneously with inflation. Even a

partial destruction of 'old outworn industry' due to the measures of Thatcher's government can in no way solve the problems of British capitalism, nor can the jobs that have been lost be replaced by the new industries which are largely capital intensive and therefore would not require masses of workers as did steel, railways and other industries.

The desperation of capitalism is intensified by the simultaneous crisis of Stalinism. Even the more far sighted and intelligent representatives of capital see no way out, they can see in Stalinism a totalitarian system which is also facing a crisis of the social system at the present time, as the events in Poland demonstrate.

Thus the desperate measures of the Tories have exacerbated the crisis of British capitalism. For the purpose of organising a new safety net big business has organised the split in the Labour Party and the break away of the right wing Social Democrats. But they are blind to the consequences that this will have in undermining the Tory Party. It will not be easy to switch the masses back to the support of the Tory Party under conditions of the economic, social and political crisis of capitalism. As a symptom of a pre-revolutionary crisis in Britain is a crisis in the Tory Party itself. It is the pressures of this crisis that has produced the phenomenon of a virtually open split in the Tory Party and even in the Cabinet, between the 'wets' and the 'diehards'.

It is always a symptom of crisis in a social system when the ruling class itself splits in different directions. It is an indication of the impasse, and the fact that whatever policy they adopt will not serve to solve the organic problems of capitalism. In the long term, the struggle in the Tory Party will resolve it into a three way split, between the Wets, the diehards around the Monday Club who will tend to hive off to form a Royalist-bonapartist dictatorial Party, and those who will stand in the so-called 'centre' of the Tory Party.

The diehards of the Monday Club together with a section of the so-called Liberal Tories would come out with social demagoguery and come to the conclusion that Parliamentaryism is played out as a consequence of the decay and collapse of the Tory Party. They will move over to bonapartist-royalism, with a possible transition through parliamentary bonapartism as in France when De Gaulle came to power under conditions of crisis in 1958.

Marx had expected that the Tories would disappear and that they would be replaced by the Liberals. In fact the opposite process took place. The Tories replaced the Liberals as the basic party of capital while Labour in its turn has destroyed the Liberals. The Liberals put forward a radical facade to cover up the fact that they, like the Tories, are yet another part of finance capital and thereby deceive the mass of middle class, many workers and trade unionists who until the 1930s supported it.

Of course, under certain circumstances, the bourgeois, who have enormous resources at their disposal in the press, the media and in the control of public opinion generally, can change from one party to another, with great facility. In France today, the bourgeois parties have largely changed, at least in name, from the pre-war period. The Gaullists and Giscardians have replaced the pre-war Radicals and the other parties of reaction which discredited themselves by their col-

laboration with the Nazis during the occupation of France. But it was the upswing of the world economy which dictated the growth of the Gaullists and Giscard d'Estaing's party.

The desperation of the ruling class is shown in the fact that they are incapable of ruling in the old ways which served capitalism so well. The new policies of strengthening the police and the apparatus of oppression and repression is a symptom of the tendency of the movement in this direction. At present it is only convulsive and more an indication of trend than a settled policy.

The abandonment of the policy of ruling by consent and community policing, is an abandonment of the basic traditions of British capitalism. The frenzied boosting of the monarchy as a reserve weapon is intended as a reassurance of the rule of capital.

At this stage these are merely straws in the wind, trends showing the development of events in the future. There will have to be big struggles by the masses which the ruling class will have to defeat before they can move in this direction in a serious way.

However, Thatcherism is an anticipation of the process that will take place. The 'wets' want to assume the traditional Tory guise of a stern policy in action and 'compassion' in words, i.e. to ameliorate the worst sores of capitalism as a policy of social demagoguery. The drastic cuts in social welfare and in the social services which have been the mark of the Thatcher government, mean a dropping of the mask of traditional Conservative social attitudes completely.

Moreover, behind the 'wets' so-called compassion is base calculation. At least one eighth of the private market is formed by the public sector, and therefore a development particularly of capital projects by the government and nationalised industries would be enormously profitable to big business. That is what the press, the media and the CBI itself have realised in the course of the disastrous policies which have been carried out by the Tory Party during the past two years.

In addition is the fear of the working class and the consequences of the policies of Friedmanism, Josephism, Thatcherism; particularly as these will not succeed in achieving the results that the bourgeois want.

In addition they feel the pressure of the discontent of the middle classes. Ian Gilmour is one of the most intelligent of the reactionaries who adopts the guise of Liberal Toryism but would, in a show down, undoubtedly support Royalist-bonapartism along with a great part of the 'wets'.

The fact that the ruling class is looking for miracles is indicated by the possibility of their supporting changes in the methods of parliamentary elections. The superstitious bourgeois imagine that by this means they could stem the tide. But the example of France shows that all measures of this sort would have only very temporary results and in fact would produce the opposite effect to what is intended. In France, the Socialists and Communists between them this year achieved a staggering figure of 56.75% of the vote, that is the result of the economic upswing of capitalism and the 23 years of Tory Parliamentary bonapartism in France!

Even if by changing the electoral system they could succeed in preventing and blocking the election of a Left majority Labour government this would not be for

long. Such a situation would move the workers to turn towards the industrial front and enormous industrial battles to gain the advances that workers felt the Tories had cheated them out of. This in its turn could prepare for an overwhelmingly electoral victory by the Labour Party, similar to that of the Socialists and Communists in France. All the Gaullist measures of safeguards for big business in the form of President's powers and the rigged National Assembly constituencies boomeranged and did not prevent the victory of the Socialists and Communists in this year's elections.

There is no future in the long term for the Thatcher wing. They will probably be discreetly junked next year when their policy fails to bring results. But this will not prevent a further decline in the support for the Tory Party. Possible new leaders like Carrington or Pym—the former more intelligent and flexible than the latter—will not be able to prevent the further decay of the Tory Party. The three wings of the Tory party will shrink in reality into two. Though the major part will remain vacillating between the 'wets' on the one hand and the die-hards of the Monday Club on the other.

Thatcherism is completely discredited but there is no other course which can solve the problems of British capitalist decline, which are becoming absolutely insoluble.

The fact that the bourgeois do not really believe in miracles but see the basic decline of the economy and of British capitalism is indicated by the aforementioned figures of British investment abroad, which reached the staggering figure of £7,000 million last year. This is not only a question of investment, it is a political fact. The journals of British capitalism and the economic commentators are all suggesting investment abroad as a safeguard against attempts to 'confiscate' capital. Gold, gold coins, investment in Switzerland, foreign currency and investment abroad are suggested as means of safeguarding the capital of the bourgeois. This is an indication of the extreme decay and decline of the capitalists, of a lack of confidence in the future of themselves, the British economy and of British capitalism.

Even if Thatcher is replaced and an attempt is made to change the electoral system by the new leader of the Tory Party, which seems to be unlikely, this manoeuvre may not be completely effective in the next election. Certainly it can only work in one or possibly at most two elections. A similar percentage of the votes to that which the PS and PC won in France is possible in Britain on the basis of the Labour Party appearing determined to effect a decisive change to the economy and social system.

The policies of Thatcherism have resulted in a collapse of the vote for the Tories in the by-elections. It will not be so easy for them to recover in the next two years, particularly as unemployment will hover around the 3 million mark. The economic and social witch-doctors of capitalism are always searching for new formulas to solve the problems of British capitalism economically and politically. On the road of British capitalism there is no way out except further agony for the masses, further disintegration of the social system and further aggravation of the social contradictions.

With 3 million unemployed the Tories cannot hope to win the next election. The indecision and vacillation

of the bourgeois as a class has provoked the crisis in the Tory party. This is in its turn a reflection of the pressure of the discontent not only of the working class but of the petit bourgeois layers throughout the country.

The volatility of the middle class has been shown in Scotland and in England. The swing to the nationalists in the early 1970s was an indication of middle class disenchantment in Scotland not only with the Tory party but with the fact that the Labour Party was not offering an alternative. Similar swings of the petit bourgeois, wide volatile swings from one direction to another, are absolutely inevitable. This too is an indication of a pre-revolutionary or even of a revolutionary crisis.

However, despite all the gulf that exists between the 'wets' and the 'hards' it is extremely unlikely that an open split will develop until after defeat in the election. It is then most likely that the Tory party will begin to split.

The press concentrated on the 'success' of the Social Democrats in the Warrington by-election. By this means they concealed the decisive defeat that the Tories suffered, securing the derisory figure of 7½% of the poll, which must be one of the lowest votes the Tories have recorded in any constituency for two or three generations.

The pattern is set. Even a partial economic recovery which would take place, with growth as far as Britain is concerned of 1 or 2%, towards the end of 1982 and 1983, would not solve the problems of British capitalism. Recovering from the chasm of economic disaster the Tories will be engulfed in a political disaster. Recovery of the economy will result in strikes and a politicisation of the masses. They will move into action to recover some of what they lost in the preceding period.

The relationship of classes over the last two generations has changed to the detriment of the bourgeoisie. The pessimism and lack of confidence of the bourgeoisie seeps down through the petit-bourgeoisie into the masses as a whole. It is unheard of that in the Tory party criticism and leaks and splits should take place in the cabinet, the parliament and the media. That has been usual in the past in the Labour Party but the Tory Party has preserved its quarrels behind closed doors. It has been in the Carlton Club and other clubs, including in the Club of Parliament itself; that discussions have taken place and cabals and conspiracies have been hatched in order to change the leadership of the Tory Party, but never before have open splits developed in this way. Thus Thatcher, Joseph, Howe and Co. who imagine themselves as saviours of British capitalism and the Tory Party will be shown in history as the destroyers of the Tory Party.

The representatives of capital in Parliament have with mulish stupidity refused to change their policies in line with the retreat of the bourgeoisie outside Parliament who now suggest the renewal of the infrastructure, not of course expenditure on social services and other 'unnecessary luxuries', but necessary expenditure on the infrastructure—on roads, sewers, railways and so on. Refusing to accept this will in the long term engulf the Tory Party. These suggestions are a partial return to the policies of 'pump priming' which were first introduced by Roosevelt in his 'New Deal' policies in the USA in 1933.

On the other hand the most reactionary government

for a hundred years has shown the real relationship of class forces in the fear of a show-down with the heavy battalions of the working class, the industrial sections such as miners, dockers, railwaymen, transport workers and so on. There Thatcher has preferred compromise rather than a showdown because of the effect this would have on the consciousness of the working class. The changed relationship of forces between the classes is indicated by the fact that the 'iron maiden' whose mulish 'crazy' obstinacy is notorious, has nevertheless avoided any showdown with any strong section of the workers. Thus in her madness there is method. They are prepared to take on civil servants and other white collar workers, but they are not prepared to take on the decisive sections of the working class as was shown by their swift retreat in face of a developing miners' strike last February.

They understand after the experience of the Heath government in 1970-74 that a movement of the entire class or of a big section of the organised working class would be sufficient to undermine the government and even bring it down. The feeble ruling class has come to the conclusion that the power of the workers is much greater than theirs.

Thus, although the government has avoided the worst disaster from their point of view of an open conflict with the mass of the working class, at the same time we see that in effect they are still 'tobogganing towards disaster with their eyes closed' as Trotsky put it.

The attempt by a new leader of the Tory party to move in a new direction will be in vain. The political pattern has been largely decided by the events of the last two years. Of course the Tories can recover again but not to the extent of the figures of 1979. The volatility of the petit bourgeois is of course one of the factors in the situation but such a sharp swing back to the Tories is

unlikely. They are moving restlessly at the present time. This is a symptom of a pre-revolutionary crisis and the fever in the middle class itself. They are a small but no longer reliable base for the Tories and big business. A further development of slump conditions would result in a massive defeat of the Tories.

It is curious that history has taken revenge on Anglo-Saxon empiricism which served capitalism both in Britain and the USA so well in the past. Thus they adopted Keynesianism, then recoiled against Keynesianism and went back to extremely reactionary policies both in Britain and America. This policy of reaction, reflecting the frenzy and epilepsy of capitalism, will in its turn be absolutely disastrous for British capitalism.

Dialectics will be knocked into the heads of the British and American ruling class by events, the paroxysm of the international crisis which will be taking place and the development of the class struggle at home. Anglo-Saxon empiricism will be entirely incapable of facing up to the situation. Both Toryism in Britain and Republicanism in the United States are doomed to absolute disaster as a consequence of the crude policies being adopted by Reagan in America and Thatcher in Britain. These policies in their turn are a reflection of the impasse of capitalism in these countries. This in part will spread to the other capitalist countries of the world and then have a spin off in both Britain and America.

The Tories' decline will continue. Already as a consequence of the movement of the workers from 1970 to 1974 the Tories were almost reduced to the rural fringe and to the commuter belt in southern England. Under present conditions in metropolitan areas they will be shattered in the coming period. More and more the masses will look for a new way out of the problems that face them at the present time.

LIBERALS

The Liberals have been a party of capital for generations. However, the rank and file has been made up of mainly middle class elements dissatisfied with the Tories, small businessmen and in the rural areas some survivals of the past when the Liberals were a mighty party.

Since the war the Liberals, who were finally shattered as a consequence of the formation of the National government in 1931, have largely been used as a safety net by the strategists of capital and above all by the media. In periods of Tory government they are given enormous publicity for the purpose of catching the discontented Tory middle class and even the politically backward working class voters. This is to prevent the discontented Tory middle class and working class voters from going over towards voting for the Labour party and giving a landslide victory to a Labour government as in 1945.

In reality there is no fundamental difference in policy between the present day Liberals and the Tory Party. In

the nineteenth century, the Liberals represented manufacturing industry and the Tories finance capital and the landowners, which was reflected in the division over free trade as against protection. Today this division has largely disappeared. The Liberals in those days wanted cheap food imports in order to keep wages low, for the manufacturers. The Tory policy was that of tariffs against food imports for the purpose of protecting the farmers and especially for the production of wheat and corn.

Now the differences have entirely disappeared. Monopoly capital overwhelmingly, in the past at least, backed the Tories, who now stand for both finance and industrial capital as well as reflecting the interests of the wealthy landowners in the countryside.

Apart from unimportant fringe issues basically there is no difference between the Tories and the Liberals. Both now stand for 'free trade', the EEC, the North Atlantic Alliance and so on. In reality the Tories are for an "incomes policy" through the pressure of unemploy-

ment and the scramble for jobs. The Liberals are even more reactionary than the Tories in the sense that they stand for a "permanent incomes policy". In other words they stand for a policy of holding down wages for the benefit of big business. As far as the attitude towards unions is concerned, if anything the Liberals are even more reactionary than the right wing of the Tories in their frenzied demands for measures restricting the rights of the unions.

In order to cater for fringe elements in the rural areas and in the cities, the Liberals put forward demagogic appeals against "big business" and "big unions". Like the Tories they pretend to stand for the interests of the small businessmen, professional people and so on, but this does not prevent the Liberal leaders from discreetly touting for funds from big business.

The Liberals have the illusion that by means of a change in the electoral system to proportional representation they would hold the balance between the Tories and Labour, like the Free Democrats in West Germany, moving over to the Tories, then to Labour and vice versa. In reality the class struggle will cut across all such manoeuvres and institutional changes and will doom the Liberals to destruction.

However, in spite of all their efforts to maintain themselves as a new and fresh party the Liberals are regarded by the masses as part of the "establishment", and tarred with the discredit and disillusionment with the main parties in Britain.

Because of their lack of appeal the Liberals have not been a sufficient safety valve for the discontented elements among the middle and working classes, and so the strategists of capital decided that "something new" was required. Hence the enormous propaganda campaign in favour of the Social Democrats. However, the main aim as far as capital is concerned in the formation of the Social Democrats is to split the leftward moving Labour party. The Liberals are not much use for this task. Some of the Liberal-Labour elements like Mayhew may have gone over to the Liberals but these would be exceptions. Even Taverne who was eager to split from the Labour Party did not join the Liberals.

The position of the strategists of capital was reflected in the enormous funds and media coverage that was given to the Social Democrats. The radical veneer of the Liberals covered the stark reactionism of their policies. Many of the so-called 'radical liberals' as the class struggle heats up will tend to go over to Royalist bonapartism together with the Monday Clubbers. The capitalist crisis hovers over all of them. In alliance with Social Democrats the Liberals might have a temporary rise, but this will prepare for their collapse and disintegration.

Like the Radicals in France, who were in reality the French Liberals and have disappeared almost completely from the scene, so too the Liberals are doomed by the crisis of capitalism.

Any increase in Liberal MPs, due to an alliance with the Social Democrats, will be the temporary rallying of a dying man. Under conditions of class struggle, the Liberals will be ground by the millstones of big business on the one hand, and the working class organisations on the other.

The position of the Liberals is indicated by the present number of MPs. At present there are 11 MPs mainly on the rural fringes such as Cornwall.

The Liberals try and play on the discontent with the main parties. The youth wing is small and tries to present a radical image. But mainly on fringe issues, they parade as Liberals on the question of the equality of women and blacks, the persecution of homosexuals and so on. In words they are anti-apartheid but in reality there is no serious difference from the Tories. Of course for the purposes of electoral support the Liberals have to magnify these differences.

There is an area where the Liberals would like to capitalise on the discontent with the failure of the Labour Party, particularly in the inner city areas where Labour has been strong in the past. In Liverpool for example where the Tories are almost completely discredited, the media have gone over to support the Liberals. With the assistance of the media and systematic campaigns on minor purely local issues they have succeeded in gaining Edge Hill and Rochdale which are industrial areas.

The demagogic fringe of the Liberal Party has much in common with the 'radicalism' of Mosley before he openly created a fascist party. Their radicalism is coupled with the hatred of the unions and of the labour movement. So under conditions of stark class struggle they would go over to the side of bonapartist reaction.

In this sense they are entirely different from the old Liberal Labourism of even Lloyd George. In the past the Liberals tended, as a radical party, to link with the unions. Now though many active rank and file Liberals, including the youth, hate the Tories, in reality they are completely dominated by capital.

The hatred of the small businessmen for big business and its representatives is one of the sources of support of the Liberals, though in practice the leadership is completely dominated by the needs and attitudes of big business. Whether they succeed in gaining support for a temporary period the Liberals are doomed to destruction in the course of the great events that impend and as the class struggle develops over the next 3, 5, 7 and 10 years.

THE NATIONALISTS

There has been a complete eclipse of the nationalists in Scotland and Wales. This has been far more serious in Wales than in Scotland, where they still succeeded in gaining 19% of the vote in the 1979 general election. In Wales they were absolutely shattered. Although Plaid only lost one MP in the 1979 election as against the nine which the Scottish Nationalists lost.

It was the movement in Wales and in Scotland towards Labour that shattered the challenge of the Nationalists.

The polarisation of the classes with a swing of the petit-bourgeois back to the Conservatives had as a consequence the defeat of the open bourgeois wing of the nationalists in Scotland resting mainly on the rural areas. The petit-bourgeois in the rural areas swung back to the Tories after previously expressing their discontent by supporting the Nationalists.

In Wales the pressure of the labour movement has produced a split within Plaid Cymru itself, into the two wings. It seems that the 'socialist' wing has gained a majority over the bourgeois wing. A similar process is taking place in Scotland, where the '79 Group', led by Margo McDonald and the renegade ex-Labour MP Jim Sillars is attempting to put a more 'socialist' gloss on the propaganda of the Nationalists in order to try and make inroads in Labour areas.

With the open class struggle of the miners and the steel workers, a Tory government in power with Labour in opposition and large sections of the labour movement beginning to move towards the left, towards a radical programme, the appeal of the Nationalists has weakened, particularly in the industrial areas. Only in periods of despair and frustration when the mass of the population feel themselves in a blind alley, can many petit bourgeois elements in desperation adopt Nationalist ideas, dragging behind them workers who can be turned to the illusion and the poison of nationalism.

While the Marxist wing of the labour movement will always adopt a sympathetic approach to the right of self-determination, if they so want it, of the majority of the nations of Wales and Scotland, at the same time Marxism offers an implacable opposition, particularly in this epoch, to the reactionary utopia of small nations which is put forward by the nationalists. We stand firmly for the unity of the working class and the workers' organisations in Scotland, Wales and England. Even regarding the national question this unity is of decisive importance.

In Scotland the nationalists are more inclined to tartan Toryism because of the bigger rural population of Scotland. The high tide of the nationalists was when the neanderthal men of the Labour Party were in control of the local councils and of the government in

Westminster.

The polarisation of the classes undermines the nationalists at least for the present time. The great proportion of the rural population, farmers and so on, returned in Scotland to the bosom of the Tory Party. In Wales, even in the rural areas there has been a swing back to Labour, especially in the industrial areas the nationalists are being shattered.

The eclipse of the Nationalists has been the cause of the splits and fissions that threaten to develop in their ranks. This is no accident.

However, there can be a revival and a recrudescence of the nationalists both in Scotland and Wales if the working class is defeated in further struggles. Thus the outcome of the next Labour government can be decisive, not only for the Neanderthal right wing which unfortunately remains in a big majority in the Parliamentary Labour Party, but for the nationalists as well. New incomes policies and policies which will not be able to solve the problems of unemployment can cause a swing to the nationalists especially in Scotland. If the right wing succeeded in maintaining control and paralysed the movement of the workers in the trade unions and the Labour Party then a swift growth of the nationalists would be entirely possible. The next Labour government will probably see a period of reforms in the early stages to be followed by even more drastic counter-reforms like those which took place with the Labour government of 1974-79.

Marxism while sympathetic to the national aspirations of the peoples of Scotland and Wales is implacably opposed to the poison and separatism of nationalism. Illusions that the nationalists have been easily defeated can be falsified very rapidly by the development of events. Only the development of the Labour Party as a Marxist Socialist party could cut across this process. The nationalists could rise as rapidly and suddenly in explosive spurts as was seen in the previous period, especially in Scotland.

If the next Labour government fails to solve the problems of the masses the further disillusionment and frustration of the middle class and of sections of politically backward workers possibly could reflect itself on nationalist lines. This would depend largely on the strength of the Marxist current in the Labour Party and trade unions and on the strength of the left in the Labour Party and in parliament.

This could provide a possible counterpole of attraction for the disillusioned middle class and disillusioned workers. However, the question of nationalism will always be present and will never disappear completely. It will remain as an undercurrent with the decline of capitalism and with the convulsive swinging of the mid-

die class in all sorts of different directions. Looking for panaceas different layers of politically desperate backward workers and of course the middle class in Scotland and Wales could be seduced by the nationalist poison.

The delay and lag in the social revolution in the advanced countries such as Britain together with the insoluble social crisis has had all sorts of peculiar consequences, not only in the under-developed world but also in advanced countries as well. For the first time for generations and even for centuries the rise of the national question in Scotland and in Wales is a testimony to the instability of capitalism and its incapacity to solve the problems of the peoples of the British Isles. This together with the insoluble social crisis and the previous attitudes which still continue in the right wing trade union and Labour Party leaders, MPs and councillors, produces all sorts of despairing subjective reactions on the part of the middle class and even backward layers of

the working class pulled towards nationalism.

Only Marxism can produce a crystal clear answer and solution to the problems facing not only the working class but the middle class and the peoples of Wales, Scotland and England. Only Marxists have a clear policy on the national question as on all others and therefore can look forward with confidence to the events that will take place in the future in Scotland, Wales and other countries. In this respect the subjective factor is decisive on the national question as on all others. If the Marxist wing of the Labour Party takes an educating and skilful approach to the question then the nationalist question could be defused.

From these nationalist currents in Wales and in Scotland many despairing workers can be won with good propaganda and a correct approach to the banner of Marxism and internationalism in the Labour Party and the trade unions.

SOCIAL DEMOCRATS

Roy Jenkins, the main architect of the Social Democratic Party, refused in the early 1970s the suggestions of Taverne, Brown, Marsh, Robens and others to split away from the Labour Party and form a new 'Social Democratic' party. In the tradition of Anglo-Saxon empiricism he examined the situation carefully and reviewed the fate of similar right wing breakaways in Australia, Italy, the Netherlands, Japan and in Luxembourg.

Having made this examination Jenkins came to the conclusion that there is no future in a development of this character. That is why he left British politics for a period of years and became head of the European Economic Community's Commission.

Jenkins preferred to support the right wing in the Labour Party with the hope that somehow or other they would succeed in regaining control of the unions, the CLPs and the Labour Party National Executive. But the crisis of capitalism, leading to a crisis in the Labour Party, creates the situation where pure logic can never be the basis of the actions of politicians. It is the social forces, class developments and the clash between the classes that decides the policies of different political groupings in society. The growth of class antagonisms and the development of the left within the Labour Party has led to the situation where the irreconcilable right wingers cannot see the way to maintain their membership of an organisation which is moving back to its original purposes and roots.

The 'gang of four', Owen, Williams, Rodgers and Jenkins represent a petit-bourgeois current which stands firmly on the basis of capitalism. Finding their road blocked in the Labour party they decided to take the

plunge and launch on to the adventure of establishing a new so-called Social Democratic Party.

It would be difficult to choose who was further from the ideals of socialism, whether one of the original 'gang of three' or Jenkins himself. In reality they have been entirely moulded by their bourgeois milieu and in Parliament by the ideas of capitalism and the ruling class. They cannot reconcile themselves to the idea that there is no way out on a capitalist basis. They are much further from the ideas of socialism than the original pioneers of the Labour Party itself, even before it had officially adopted socialism as an objective. In reality far from being socialists they are Conservative Democrats, though one could add, in their manoeuvres, trickery and scurrilous attacks on their opponents in the Labour Party and trade unions they are not even democrats.

These people represent those trendy intellectuals mainly from universities who thrust their way into the Labour Party as "do gooders". They were moulded in the period of the economic upswing in the 1950s and 1960s. They have always been remote from the problems of the working class and in reality are very close to the Tory "wets"—psychologically, politically and in their general outlook. They are entirely wedded to capitalism in the form of the so-called "mixed economy".

They regard the present ferment of ideas in the Labour Party as a madhouse. Their whole outlook is determined by the outlook of the petit bourgeois seeking the "middle road". University dons, lecturers, professionals and lawyers in the period of the upswing looking for a career could just as soon decide to join the Labour

Party as the Tory Party. They graciously condescended to join the Labour Party and allow themselves to be put forward as candidates for Parliament and to do the "uncultured" masses a favour.

Now the workers are beginning to recover control of the party which they created. At the same time an enormous process of change is taking place also in the trade unions. The 'gang of four' and their ilk relied completely on the block vote when it was controlled by the extreme neanderthal right to maintain their domination of the Labour Party. Now that the majority of the trade unions are beginning to move left they cannot live in an atmosphere of this sort. Formerly regarded as the bastions of the real 'sensible' aspirations of the working man they now regard the newly radicalised unions with horror and even open hatred. The 'gang' are completely moulded by the public opinion of bourgeois society which in its turn is moulded by the strategists of capital through the media, the TV, press and radio. They favour restrictions on the closed shop, strikes and like the Liberals are in reality in favour of permanent incomes policies.

The 'gang' were absolutely shocked by the victory of re-selection and the election of Party leader by the entire Labour Conference instead of solely by the parliamentarians. They were particularly horrified by re-selection of MPs. The idea that MPs should be responsible to those who selected them as candidates in the first place is regarded by the 'gang' with horror. They stand for the divine right of right wing MPs to their seats. When it became clear that large numbers of the right-wing Labour MPs would be winkled out in the period ahead and even more so in the great events that are to come, it was something with which they could not reconcile themselves.

The regained influence of Marxism, which has always been important in the Labour Party in the past, is regarded by the 'gang' with horror. Incapable of answering the arguments of the Marxists and having been defeated in the discussions in the constituencies and in the trade unions, the growing influence of Marxism in the Labour Party and the trade unions was one of the important factors which led to the decision to split from the Labour Party.

Not faced with woolly hesitations and vacillations like those of the Tribune Group but instead with the firm traditions of Marxism the Social Democrats could not find a way to answering the Marxists' arguments and therefore turned into open traitors and deserted the Labour Party. The decision to give the unions, who after all created the party, the largest say in the election of the Party leader was the last straw for them.

In a sense the situation which is developing with the Social Democrats is entirely a new phenomenon in history. Egged on by the media, the press and behind the scenes by big business and the bankers, the 'gang' have taken the plunge and launched on the adventure of attempting to split the Labour Party. Thus showing their real attitude as bourgeois exploiters of the labour movement and as traitors to the labour movement. According to reports £15 million was promised to them by big business. And large sums are obviously forthcoming when the already lavish spending of the Social Democrats is taken into account.

The Labour Party, like all workers' parties, began

with nothing and was built up on the basis of the sacrifice of the members. In the same way the trade unions have been built in the past, painfully, with suffering and with enormous sacrifice on the part of the workers. It has won its way despite a complete blanket of silence and hostility by the press by representing the real interests of the working people. The Social Democrats on the other hand begin with the greatest publicity achieved and the largest sum of money that has been gained by any political party. Not for them the sacrifices and building up, but on the contrary they have come already hatched as a party with enormous resources, funds and publicity.

The 'gang of four' feel the support of official society behind them, they are feted and fawned upon. They represent one wing of the petit bourgeois and are overwhelmingly middle class in membership. Thus Barclay-cards, cheques, etc. are a source of the funds from the members. Nevertheless the main source of their funds must be from big business. The 'gang' are buoyed up by the praise which is given to them from behind the scenes by the Tories, the press, radio, TV and the capitalists. It is big business and the media which have incited and pushed the Social Democrats to take this step. They have probably more financial help at the moment than even the Tories have received from the millionaire monopolies.

The main aim of the strategists of capital in the formation of the Social Democrats is to split the Labour Party and to prevent a leftward moving Labour Party coming to power. They recognise that the Labour Party is under enormous pressure from the active mass in the trade unions and in the constituencies. In a period of the decline of capitalism they are terrified of the possibility of the Labour Party coming to power under the pressure of the masses to carry out measures in the interests of the workers and of the middle class. That was the main consideration of big business in the formation of the Social Democrats.

Another consideration was to prevent former Tory voters, politically backward workers and the middle class from voting Labour. It is a capitalists' nightmare that under conditions of the decay of capitalism which is taking place at the present time the Labour Party should come to power with a 1945 size majority and with the active workers already swinging to the left. This would mean a Labour government under pressure to carry out drastic measures against capitalism.

The trade unions and Labour Party generally are beginning to move towards the left, although of course it is not excluded that some temporary backward steps and retrogressions will take place in the course of time. This is highly dangerous for capitalism as a system. It is the beginning of the end of the parliamentary games of 'ins' and 'outs', of Tweedledum and Tweedledee. It now becomes a serious question of class confrontation both inside and outside of Parliament. It is this fear that has meant the unprecedented publicity which has been received by the Social Democrats.

They must be the most comfortable "Social Democrats" in the history of capitalist society. Even so, they are probably in their hatred of all left and revolutionary developments even ignorant of the real history of social democracy. Before 1914 social democrats were Marxists, it was only with the separation of the Communists

from the Social Democratic Parties that the words came to mean the policy of reformism and class collaboration. The SDP's birth was the smoothest transition to a "new" party that has been seen in the history of British society and even in the history of world capitalism.

However, the original intention to split the Labour Party has been a dismal failure. Only a tiny handful of members have walked out. In fact as a consequence of the desertion of the Social Democrats there has been an enormous increase in recruitment to the Labour Party. The biggest increase for generations!

In the Parliamentary Labour Party of course they had greater success, with now 15 ex-Labour MPs moving over to the Social Democrats and breaking their pretended roots in the labour movement.

Because the Liberals are partly discredited the second idea behind the formation of the Social Democrats is to act as a second safety net for disillusioned Tory voters. With the aid of the media and the failure of the Labour leaders to launch a campaign of explanation and to expose the SDP for what they really represent the Social Democrats have had a greater success with this layer.

It must be pointed out that even today there is no real difference with the right wing around Healey and Hattersley and the Social Democrats. The policy of remaining in the Labour Party on the one hand and openly splitting of the Labour Party on the other hand remains a tactical difference. There is no fundamental difference on principle or policy between the ideas of the Social Democrats and the ideas of the "neanderthal" members, the extreme right wing of the Labour Party.

However, quite skilfully, with unscrupulous demagoguery the Social Democrats are trying to take advantage of the disillusionment of large numbers of inactive workers with both the main parties. It is a result of the two post-war generations of workers who have seen the Labour Party and the Tories succeed each other in government, and yet no fundamental change in their lives has taken place. On the contrary in the last period of the decay of capitalism there has actually been a fall in working class living standards. The Social Democrats want to take advantage of the disillusionment of the inert masses of workers and above all of the middle class in both the main parties. The SDP want to use their own and other right wingers' crimes in the Labour cabinet in order to discredit Labour. They want to use the disillusionment in the Labour government of 1974-79 without bringing their own personal role to the fore.

The Warrington by-election demonstrated that the SDP put forward a very radical face for the purpose of trying to gain support within the electorate. The Labour campaign, not being on a firm campaign of exposure and of socialist measures, but being distorted by the main Neanderthal right-wing officials of the Party was almost a non-political campaign. As a result it would have seemed to many that Jenkins had a more radical programme than the left-wing Labour candidate! However, despite all these unfavourable factors, there was a collapse of the Tory vote which has been concealed by the media. They received 7½% of the vote. 7,000 Tory voters deserted to the Social Democrats. To this must be added 2,000 Liberals and 2,000 non-voters. Even under the most unfavourable circumstances of a lack of a real campaign against the Social Democrats

and in a by-election in which not much was at stake, even so probably only 2,000 Labour voters could be induced to desert from the Labour Party. It is probable that most of these deserters were middle class voters at that.

The Social Democrats are a party without a history, without roots and without a long term future. They may make gains in the short term with vacillations on the part of the Labour Party. Particularly if the Labour Party conducts its activity on the basis of "me-tooism", that they too can be as "moderate" as the Social Democrats! What is required is a clear explanation of the crisis of capitalism and the impossibility of solving the problems of the working class so long as the commanding heights of the economy are controlled by big business.

However, the Social Democrats will be ground to dust in the contradictions of capitalist society and in the struggles that will take place between the classes which cannot be avoided. The class struggle will decide the fate of the Social Democrats. In Australia, the counterpart of the Social Democrats lasted about 20 years, doing serious damage to the electoral prospects of the Australian Labour Party for the whole of this period. They succeeded in gaining roughly 10% of the vote as opposed to 40% of the vote for the ALP, but nevertheless as the contradictions of capitalist society developed they were ground to dust in the conflict between labour and capital, between the capitalist parties and the Labour Party.

Social Democrats will not succeed in lasting 20 years depending on the course of events probably they will be an ephemeral phenomenon. Depending on the events and the course of the class struggle itself they can probably last 3-5-7 years at the most—no more, and will disappear completely from the scene of history.

It is an indication of the desperation of the strategists of capital that the bourgeois are playing with the Social Democrats. They are using the card of the Social Democrats but they are playing with fire. In an endeavour to destroy the Labour Party in reality they have succeeded in only undermining the Tory Party. In the next election it is possible that the Tory Party can be reduced to the situation that almost existed after the 1974 election of representing the rural areas and the Southern suburban commuter areas. They will be wiped out in the industrial conurbations and this could be the basis for decisive developments in the future.

But in spite of the Social Democrats little has been lost by the trade unions or the Labour Party. Defections in most constituencies could be numbered with the fingers on one hand.

The possibility of the victory of the Labour Party in the next election would mean the collapse of the Social Democrats. In the course of the election campaign itself the Social Democrats could lose heavily. Though it is unlikely in any event that they could gain more than 20-30 seats. In the seats in main industrial conurbations which the SDP now holds they will lose and probably Labour will regain these seats.

The outbreaks of the class struggle and the unfavourable perspectives for the economy means that the Social Democrats will not be enabled to play the role that they would have wished. Like the National Liberals and National Labour who lasted for a few years with

proxy Conservative votes and then vanished from the scene completely after the split of the right wing of the Labour Party in 1931 the Social Democrats will disappear too.

This is particularly so as there are no perspectives for a new development of the economy on the lines of 1950-75 which was really the basis of the illusions of the Social Democrats in capitalism. Now with the Social Democrats in reality wedded to a policy of counter-reformism they will not be enabled to hold any measure of support for any length of time. Now we are in an era of counter-reforms. But if the Labour Party could not succeed in carrying out counter-reforms, then even if the Liberals and Social Democrats should succeed in a coalition, which could only be on the basis of counter-reforms, this in its turn would pave the way for their collapse.

There is no room for a hybrid party in Britain which stands for the policies that the Social Democrats stand for. Permanent incomes policy, which means cuts in the living standards of the masses, support for the EEC, support for massive rearmament, all these things would be highly unpopular if explained to the masses. Only by fudging and hiding their ideas, only by a misunderstanding can the Social Democrats for a time succeed in gaining support. It is noticeable that under the pressure of their big business backers the Social Democrats have not even made the remotest suggestion about nationalising any section of industry. Thus they are not a Social Democratic Party, in the old reformist sense, they are on the contrary a party of liberal capitalists. But in an epoch of counter-reformism there is no room for the Social Democrats and even the Liberals. They will be destroyed in the class battles which will open up in the period ahead.

Even if the Social Democrats and the Liberals should gain the balance in a new election and as a price for support would demand a new electoral system based on some form of proportional representation this would in no way save them from destruction. The Social Democrats in the Netherlands who split away with eight MPs in 1970 lost their last MP in this year's election, despite a very liberal system of proportional representation which gives small parties the possibility of being represented in Parliament. The idea that changing the electoral system would guarantee the SDPs survival is a complete illusion. In Australia they have a transferable vote system which in no way saved the right wing Democratic Labor Party in Australia from destruction.

The SDP will not succeed even in the sense of their Japanese and Italian counterparts of remaining as a small party. In fact a system of proportional representation would guarantee the survival of the small Nationalist Parties of Scotland and Wales. Once the mass of the organised workers move the advanced layers will draw behind them the more inert layers of the working class and large sections of the middle class as well. Consequently, the Social Democrats will be crushed between the millstone of the workers on the one hand and the traditional party of big business on the other. In the long term they will possibly merge into the Tories in the same way as National Labour and National Liberals were absorbed by the Tories.

On the other hand in the event of a split in the Tory Party at a later stage and the formation of the Royalist-bonapartist groupings many Social Democrats and possibly even the leaders, would find their way to such a party. There is not really any fundamental difference between the social "policy" of the Monday Club and the right wing of the Tory party and the social policy of the Social Democrats.

The events in France will have caused the bourgeois some heart burning. It is clear that even with a system of proportional representation, which always was a form of parliamentary cretinism favoured by the strategists of capital, they will not be able to prevent a left reformist or even centrist Labour Party coming to power with a majority. The victory of the Socialists and Communists in the French elections has demonstrated the falsity of the old 'rule' that the workers parties could not gain more than fifty per cent of the vote, a rule which already had been shown to be outdated by the events during the Portuguese revolution after 1974.

The "claret" party will be speedily doomed even with a system of proportional representation. They failed in their decisive objective which was to split the Labour Party from top to bottom. They have had less success in this regard than the Social Democrats in Italy and Japan.

Thus the reason for the existence of the Social Democrats will swiftly cease. The enormous sums which they receive from big business will dry up, big business will look for other alternatives including that of military police dictatorship. Without funds from big business the Social Democrats could not manage for even a few months. Under such circumstances they will pass ingloriously from history as the events of the class struggle unfold.

THE LABOUR PARTY

Profound changes are really in their early beginnings in the Labour Party and the trade unions. The effect of decades of reformism in a period when reforms could actually be gained on the basis of the upswing of capitalism are being swept away on the basis of the downswing of capitalism which is now developing. All the muck and encrustations on the trade unions and the Labour Party which have brought the neanderthal men to the fore will be dissolved and washed away as a result of the crisis of British and world capitalism. One of the first effects has been of course the split of the Social Democrats which has taken away traitors, time-servers and careerists who never had the interests of the Labour party, trade union or labour movement at heart. They are all middle class place-seekers who were in the main only interested in their careers.

The upswing brought to the helm extreme right wing Neanderthals. Many Tribunites and sincere elements in the then atmosphere in the Labour Party, councils and in Parliament were poisoned and succumbed to the crude ideas of right reformism. Many left Tribunites, even though working class in origin, along with councillors, MPs and officials were absorbed into this poisonous milieu.

As the activity and participation of workers and trade unionists in the Labour Party ebbed, so the trendy middle class "lefts" were absorbed by the right wing. It is again no accident that Prentice, and others of that ilk were actually once regarded as lefts in the Parliamentary Labour Party.

This whole layer in reality is soaked from head to foot in contempt for the working class. Thus the amazingly slow tempo of events in Britain, even in the late 1960s and during the course of the 1970s, had as its effect the moulding of this entire layer of Councillors, MPs and Labour Party officials generally.

They swung far to the right. Gaitskell at the height of the economic upswing even tried to do what the right wing Social Democrat leaders had succeeded in doing in Germany, and abandon the socialist constitution of the Labour Party. Those who have now broken away to the Social Democrats were wholeheartedly in agreement with this attempt of Gaitskell to turn the Labour Party into a Liberal Party or into what the Social Democratic Party is today, a party committed to the capitalist system, to the so-called 'mixed economy', which in reality is an economy catering for the interests of big business.

However, during the course of the 1970s there were the beginnings of stirrings and change in the labour movement. Changes in the trade union movement prepared the way for this development in the Labour Party. The stormy period of class struggle in the period

between 1970-74, a wave of struggle on the part of the workers which could be compared to the struggles of the Chartists, had as an effect at least the beginning of change within the Labour Party itself.

Decisive change within the Labour Party began with the Labour government of 1974-1979. This passed rapidly from attempting reforms to counter-reforms. It implemented an incomes policy, i.e. holding down the wages of the workers in order to increase the profits of the capitalists. A policy of diluted Friedmanism/Thatcherism operated in the economy. In fact it was a not so diluted monetarism as the cuts in public expenditure amounting to £8,000 million in mainly social services were made in 1976/77. The experiences of doubling of unemployment, the doubling of inflation and the cut in the real wages by over 9% in the period of five years, during the period of the Labour government had the effect of beginning to swell the left in the Labour Party and in the trade unions.

The strike breaking policies aimed against the firemen, council and hospital workers and the crude strike breaking statements of Owen, the Shah's friend, also had an effect on public opinion within the Labour Party and trade unions. These had profound, if slow, consequences in the change of consciousness of the workers.

The dialectic of history is shown by the fact that these very developments raised to a pinnacle Owen, Williams and Rodgers. The latter two organised, together with Callaghan, the unsuccessful general election campaign of 1979, elbowing aside almost completely the lefts in the Labour Party, even those such as Michael Foot. Owen, Williams and Rodgers all had important positions in the Parliamentary Party and in the Cabinet, before they were thrust into opposition and in deserting the Party.

Probably a majority of Labour Parliamentarians have been absorbed and corrupted by what the capitalists call "the best club in the world", that is to say the atmosphere at Westminster. Prentice was absorbed into this atmosphere and took the logical consequences when he was de-selected and then joined the Conservative Party. There is not much to choose between the outlook of the SDP and a big section of Labour MPs.

Under the right-wing's stewardship many Constituency Labour Parties suffered a decline in membership and activity and were reduced in many cases almost to the level of rotten boroughs. At the same time the right wing had become remote from the active workers in the Labour Parties, the unions, the shop stewards' committees and even from their constituents as a whole.

It was the experience of right wing reformism, during 1974/79 which had as a consequence the increase of

the left majority on the NEC. The swing to the left increases participation and membership of the Labour Party, but at present this is taking place slowly as a remote echo of the processes that are already developing in the Labour Party and the unions.

However, the same swing to the left has had as a consequence that while one section of the middle class lawyers, accountants, university lecturers and other trendies have moved out of the Labour Party into the Social Democrats, a new and fresher layer under the pressure of social crisis and the crisis of the Tories has been moving into the Labour Party. These have in the main moved over to the Tribune tendency as an older layer of Tribune lefts have gone over to the right or ossified. While intellectuals such as Paul Johnson and others have gone over to the Tories, the new trendies have been pushed towards the Labour Party, others of course will find their road direct to the Social Democrats.

The moods of the students, intellectuals and of the professional layer in society are generally a barometer of the processes that are taking place in society. Many moved towards the right in the period of the Labour government. In general they are seeking a solution to the problems which they face. This influx of trendies into the Labour Party is in itself a pointer at a later stage of an influx of large numbers of advanced workers as they seek solutions to their problems on the political field. As the struggle develops more and more active workers will be attracted into the wards, the GCs as well as into the trade unions and shop stewards committees. Shop stewards themselves finding that the industrial struggle is not sufficient, will tend also to be attracted as delegates to the GCs from their unions, and as individual members of the wards and GCs.

There has already been a slow swing to the left in the Party. In the future at a slower or faster pace depending on how events develop, a similar process will take place in the Party as took place in the youth. However, within the youth there was the conscious role of Marxists which had an effect in accelerating its swing to the left.

The swing to the left in the trade unions, and also the set-backs that have taken place in the trade unions such as in the EETPU and AUEW are also reflected and will be reflected in the future, in the Labour Party. This clash of these different forces, a step back here, an advance there, gives instability to the process taking place in the Labour Party and in society itself.

It is not impossible that the right wing might even succeed by manoeuvre and other methods, at which they are always more determined than the official left of the Labour Party, in gaining a majority on the NEC. Under pressure of the media, the Parliamentarians and of their friends in the Social Democrats, an attempt could be made at the Labour Party conference to lay the foundations of a witch-hunt. If the right got a majority on the NEC then a formal vote for a witch-hunt will be a virtual certainty. But whatever measures of reaction that develop, whatever undemocratic actions are taken by the right wing in the Labour Party and the trade unions could not separate Marxism from the Labour Party.

A vote of this sort would be a pyrrhic victory for the right wing in the PLP and on the NEC. It would not be long lasting and would prepare the way for an even bigger swing to the left in the Party itself, the unions and at

the Labour Party conference.

While a possibility, it seems extremely unlikely that the right wing could succeed in gaining a majority on the NEC. This means that the swing towards the left in selection of Tribunes and Marxists as candidates for the Labour Party will continue. The process of re-selection is in its early days, and will extend not only over this parliament, but into the next.

As a leaven the Marxists form an invaluable element in the process of the move towards the left by the Labour Party. Under pressure of events, the class struggle, the continued decline and downward curve of development of capitalism, despite minor upswings, the ideas of Marxism will more and more, as Trotsky pointed out, gain support within the framework of the labour and trade union movement. These ideas are rooted in the situation itself. They are not artificial ideas grafted onto the workers, but in fact the conscious expression of the unconscious process that is going on in the minds of the active workers in the trade unions, the Labour Party the shop stewards and the militants among the working class generally. The attitude of the active section of the labour movement, the salt of the earth, would in no way be affected by the campaign of the radio, TV and the press, but on the contrary it sharpens their determination to move in the direction of socialist policies. These ideas will in turn become the policy of the mass of the Labour Party, the trade unions, the shop stewards' committees and the mass of the working class in the course of the struggle and experiences of the working class itself.

The same process that is taking place within the youth can take place on a much larger scale within the Labour Party within the course of the coming epoch. It is above all the fresh elements of the working class moving into activity in the trade unions and the Labour Party, the generation between 16 and 35 which will be eager to take up the ideas of Marxism and which will find the road to Marxism.

The instability of capitalist society means the instability of all parties in Britain, especially the Labour Party. There will be a process of transformation and re-transformation of the Labour Party. Of course in the process of the crisis itself, periods of reaction, despair, indifference, apathy and even an ebbing in the influence of the Labour Party will take place.

On the other hand, the strategists of capital are well aware of the developments which can take place. That is why they are desperately attempting to prevent the victory of the Labour Party in the next election. They understand that the development of a new Labour government would be on entirely different lines than the development of the Labour government of 1974/79. Almost from the beginning a Labour government will be faced with the organic and deep crisis of capitalism and the need to take measures in the interests of the working class. This in its turn would mean an even greater friction between the right wing parliamentarians and members of the cabinet on the one hand with the left wing in parliament, the unions and in the Labour Party on the other hand.

The organic sickness of British capitalism means the inevitability of new splits in the Labour Party. That section of the right wing which calculated that the best interests of their "careers" stood in remaining within the

Labour Party and holding it firmly and organically linked to the umbilical cord of capitalism will find the ground more and more disappearing from under their feet. Both before and after the next general election, there can be a process of desertion to the Social Democrats.

As a consequence of a majority Labour government Tribune left wingers such as Dennis Skinner, Joan Maynard and others under the powerful pressure of the active workers in the trade unions and Labour Party will be demanding measures in the workers' interests. This process will produce enormous discussion and agitation within the ranks of the Labour Party and trade unions. The process of change in some Labour Parties like those in Brighton and Liverpool can possibly be reflected in a majority of local Labour Parties. There will be an enormous questioning of any attempt to carry through counter-reforms in the interests of capitalism by the next Labour government. While it is always the tendency of the British workers to move slowly and ponderously, to wait, calculate and see, nevertheless on the basis of experience the course of the active layers of the working class at least is determined.

An inexorable process of turning and moving towards the left will take place in the labour movement as a whole, and will turn the Labour Party into a left reformist party or even moving it in a centrist direction. It is this process that has given the strategists of capital nightmares and which has led them to make the attempt, which has failed, to try to split the Party.

Marxists can only have an effect in relation to the inevitable processes that take place in the minds of the working class. It is not agitators who create such situations, but the situation itself. All that the Marxists do is make conscious a process that is unconsciously taking place in the minds of the workers.

The capitalists and the strategists of capital recognise the role of consciousness and of the Marxists in the developments that have taken place in the Labour Party during the course of the last five years. That is why behind the scenes they try to incite the right wing and frighten the Tribunes into measures against Marxists on the scale of a witch-hunt. A witch-hunt would paralyse the Labour Party and might have an effect for a short period in terrorising the rank and file. It would not last for long and inevitably it would result in the opposite effect to that which the right wing intended. Ultimately there would be an enormous reaction against it within the rank and file of the trade unions, Labour Party, shop stewards' committees and so on.

It is because they understand at least partially the processes that are taking place in the Labour Party that the capitalists are desperately attempting to prevent Labour gaining a majority at the next election. This attitude is dictated by fear of the consequences of a Labour victory. Even though the bourgeois are perfectly conscious of the fact that the big majority in the Parliamentary Labour Party still support the right wing and in reality many are in sympathy with the Social Democrats. The ultra-right, possibly one third of the Parliamentary Labour Party, in reality is no different in outlook, policy and attitude to the Social Democrats. If they stay in the Labour Party it is purely a question of convenience and cosiness.

that will be exerted on a Labour government by the working class on the one hand and the capitalists on the other hand a new MacDonald-style split is entirely likely. That was the perspective that the Marxists saw as a possibility during the last Labour government. The split of the Social Democrats since the election is a vindication of the correctness of the analysis that was made. But one of the reasons why the bourgeois did not move towards such a development was a fear of the consequences of the removal of the right wing from the Labour Party, even though under those circumstances perhaps a big part of the Parliamentary Labour Party, a far bigger section than split with MacDonald in 1931, would have gone over to the side of the Tories and formed a National government.

Nevertheless the social contradictions and the logic of the class struggle has far more of an effect than the calculations of the strategists of capital. Under pressure of the contradictions that exist within the Labour Party and within society it is possible that with an aroused working class already suspicious as a consequence of the measures of the last Labour government, that a split in a new government might possibly happen much more quickly than even with the 1929-31 split. Although taking into account the rhythm of developments that usually takes place within the proletariat in Britain it is possible that it might extend for a greater period than that.

But it is precisely because we are in a period of sharp turns and sudden changes that Marxists must keep their fingers on the pulse of the rhythm of events and not be caught by surprise by any of the developments that will take place.

Changes in the electoral system would merely provide a temporary relief to the bourgeois given the development of the class struggle and the relationship of class forces. The fact that the strategists of capital are caught up with such dreams of some change of form which would guarantee security for their system is an indication not only of the depth of the capitalist crisis but also of the decay of British capitalism. The former sharp understanding of the strategists of capital has been lost. This is indicated not only in the selection of a nonentity like Thatcher as leader of the Tory Party but in the general campaign of the press etc. They are at sixes and sevens searching for some sort of miracle that can get them out of the plight which their social system is in. Superstitious incantations and formulae cannot alter the decisive fact of class relations and of the class struggle.

No attempts to change the constitution, to shore up the neanderthal men in the labour movement or to try and build a Social Democratic alternative can break the will of the advanced working class to change society and reform its organisations to mould them as an instrument and a weapon for the purpose of changing society. This attitude of a large layer of advanced workers which is not completely conscious at the present time can under conditions of action, the impact of events and of political crisis of a Labour government become decisive and have an enormous effect on the mass of the working class as a whole. This will of the working class is strikingly demonstrated in their building and rebuilding of the trade unions and the Labour Party, the mass working class organisations built up so painfully and with so much sacrifice over the last century.

It is a possibility that the Labour Party will fail to win a majority at the next election. This would be mainly due to the vacillations and hesitations of the leadership of the Labour Party itself. With a firm will and socialist policies Labour could gain an overwhelming majority at the next election. But nevertheless the subjective factor is of enormous importance in this connection too and therefore it is not absolutely excluded that the Tories could win the next election or at least together with the Liberals and the Social Democrats might have a majority of seats in Parliament. Such an eventuality would push the masses inexorably on to the road of industrial struggles and a further transformation of the Labour Party and the unions. The Labour Party and the unions would be pushed even more to the left than they have been as a result of the defeat of the Labour government in 1979.

Of course this would not take place overnight, there might be a possible initial reaction of despair, indifference and disappointment. But for every worker demoralised and disillusioned there will be ten or a hundred who will be springing into active political life. New layers of the workers, particularly of the new generation of workers, would awaken to industrial and political life and put their stamp on the developments which will take place in the Labour Party.

A new Tory/Liberal/Social Democratic government will be shot through with contradictions, ideologically and in the varying interests of such a government. It would probably not be long lasting. Such a coalition would break up and push the masses even more to the left.

On the other hand an attempt to make a coalition between the Labour Party and the traitors of the Social Democratic Party would encounter enormous resistance within the rank and file of the Labour Party. This too could not be long lasting but would be shot through with even greater contradictions and therefore such a government would collapse within one or two years of its formation.

The masses will draw Marxist conclusions on the background of the crisis of world capitalism and the decay of British capitalism that is proceeding now at a much faster pace than formerly. A general strike is a possibility in this situation with all the earth shaking political consequences which this would have. The Tories have succeeded in postponing a showdown with the strong sections of the working class while taking on white collar workers, civil servants and so on but they cannot postpone this for ever. However, at one point or another the Tories will provoke an enormous movement on the part of the working class shaking the political system and a Tory or a coalition government to its foundations.

With swings backwards and forwards, even taking steps back under furious pressure, nevertheless the main movement of the Labour Party will be towards the left and towards socialist conclusions. As the Labour Party looks more and more the champion of the oppressed

wider layers of the workers and the middle class will swing towards it.

We are now in a pre-revolutionary situation similar to that before the pre-revolutionary situation developed in Italy in 1969. Very rapidly a pre-revolutionary situation can be transformed into a revolutionary situation. The Italianisation of politics that we have forecast in the past is already taking place in Britain and will be speeded up and developed as a consequence of the crisis of British capitalism in the period that lies ahead. As in Italy it might last a whole period because of the weakness of Marxism within the working class.

This Italianisation of politics and society in Britain would have an enormous impact inside the Labour Party. Already we have the split of the Social Democrats which in some ways can be compared to the last split of the Social Democrats from the Italian Socialist Party in 1969. Even greater convulsions are inevitable in the future. The difference would be that whereas in Italy there was also a mass left split from the Socialist Party in 1964, in Britain it is far more likely that the left will take over the Labour Party to an even greater extent than exists at the present time with a Tribune majority on the NEC. Whatever the character of the next Labour government, which might be followed by a bourgeois government or a national coalition on the lines of 1931, the Labour government after the next bourgeois government would undoubtedly be a left reformist or even partly a centrist government.

Depending partly on the international situation such a government might go far further than even could have been expected. For instance in France the Socialist Party will try to carry out its programme of nationalisations which in the event will bring France up to the same level of state ownership as exists in Britain at the present time. The depth of the social crisis in France after 1945 compelled even de Gaulle to concede to the wishes of his then coalition partners, the Communist and Socialist Parties, and nationalise an important part of the French economy. In the same way in Britain it is possible, as in France, that the banks and insurance companies might be nationalised and that such a Labour government would even attempt the nationalisation of a few monopolies.

Nevertheless appetite comes with eating and the fact that these limited nationalisations will not solve the social problems that exist in Britain would mean that new social convulsions would be on the order of the day. A victorious left Labour government, under the mighty pressure of the trade unions and of the working class, would give a new confidence to the working class in the possibilities of transforming society and therefore there would be enormous demands to move in the direction of a complete transformation of society. This would lead to new conflicts, convulsions, conspiracies and the possibility, at a moment when the movement of the working class ebbs for a while, of even attempts at a bonapartist royalist coup.

TRIBUNITES

The crisis of the Labour Party is also a crisis of the Tribune left. The programme of the Tribunites has always been that of a vague woolly leftism. For example their idea of simply attempting to leave the EEC which would be catastrophic both for British capitalism and for a Labour government which endeavoured to carry this out unless society was transformed and an appeal made to the European workers on a class basis. In any event a big section of the Labour right wing are supporters of the EEC, like the Social Democrats, and would be quite prepared to split the Labour Party on a question of this sort. On the other hand the Tribunites' 'Alternative Economic Strategy' is entirely utopian. Any endeavour to carry it out would enormously aggravate the world crisis of capitalism and the crisis of British capitalism itself. Under these conditions there would be a differentiation within the ranks of the Tribune tendency itself.

The outline of this is already shown in the differentiation between the older section of the Tribunites (the so-called 'soft lefts') and the new younger layer which is against compromise with the right wing in the Parliamentary Labour Party and the unions.

The 'soft lefts' already includes a younger layer who have absorbed organically the tendency to vacillation and verbal radicalism of the older Tribunites and joined with them in trying to arrive at some sort of compromise with the right. This is the section that wants a quiet life without any disturbances, without any difficulties. They do not realise that this will only complicate and create even greater difficulties in the future.

The traditional role of verbal radicalism was in concrete reality capitulation to the right wing who dominated the Parliamentary Labour Party and the Shadow Cabinet, as well as the NEC until the 1970s. Now despite the changed relationship of forces in the Trade Unions and the Labour Party the 'soft lefts' are in reality preparing a capitulation to the Labour Party right wing and giving them a right wing majority in the next cabinet in the name of 'Party Unity'.

One section of the right is prepared, in words at least, to abandon the EEC and all 'agree' in words with the 'Alternative Economic Strategy' including temporary import controls. Denis Healey is in favour of the 'Alternative Economic Strategy' and of import controls, at least at the present time before taking on the responsibilities of government as Chancellor or possibly as Foreign Secretary in a new Labour government. In words the right will accept a programme of reforms without having the will or the economic possibility of carrying them out under capitalism.

The old section of the Tribunites is quite prepared to compromise with the right on this question. They have

not learned either the lessons of the failures and disasters of the 1974-79 Labour government or the lessons of previous Labour governments in the post-war period.

The new 'practical' policies of the statesmen, talking about the need for priorities—i.e. the abandonment of most of the programme of reforms already even before a Labour government is elected—shows the situation that will develop. The difficulties of the capitalist system means that on a capitalist basis it will be impossible to carry out the programme of reforms which is being demanded by the trade unions and the Labour Party.

The old wing of the Tribunites, interlaced with the practical 'realpolitik' politics of some of the newer intake of Tribunites, is content to play the role of a tame opposition in the Labour Party even though there is a left majority on the NEC, in the CLPs and even in the trade unions. This wing, both in the Labour Party and the trade unions, wants an end to discussion in the Party and a verbal 'compromise' with the right wing on both programme and policy.

This policy is resulting in cracks and fissures appearing in the parliamentary Tribune group and the unorganised or loosely organised Tribune supporters in the constituencies. The overwhelming majority of supporters of Tribune back the left and, when the issues are explained to them, are against the compromise with the right.

The left group of Tribunites, now led by Tony Benn, wishes to have a majority of lefts in the next Labour government's cabinet or at least commit the Parliamentary Party to carrying out the next Election Manifesto. They are trying to insist this manifesto should be based on the decisions of the Party Conference. The discussion on the re-selection of MPs and the accountability to the Labour Party GCs is not only a question of elementary democracy but essentially a question of programme.

This the capitalist press understands and that explains their campaign of hysterical misrepresentation of the discussion which has been taking place in the Labour Party on its constitution over the last period and especially their endorsement of the right's demagogic demand to concentrate on the real enemy, the Tories, rather than on 'internecine' fighting. But the whole problem facing the working class is that the Tories and the capitalists have a fifth column in the Labour Party which is quite prepared to compromise on Labour's programme and capitulate to the demands of big business as soon as any serious confrontation takes place.

Tony Benn and the left Tribunites reflect the pres-

tures of the active working class moving towards the left and the desire for change which is manifest throughout the trade unions and Labour Party. The cracks between the Tribunites will widen to a gulf when a new Labour government fails to solve the problems of mass unemployment, housing, living standards, restrictions on wages, and so on. This is inevitable unless they are prepared to stand for a complete transformation of society. At this stage, the Tribunites, even the most left-wing of them such as Tony Benn, are not prepared to put the question in such clear terms.

Of course Marxists will support every measure of reform put forward by the Tribunites and the Trade Unions or implemented by a Labour government which results in benefits for the working class and the mass of the people. But they explain that only if these demands are linked to transformation of society through the taking over of the commanding heights of the economy can the problems of the economy and working people be solved.

The directors of the monopolies have much more power than Parliament, the Cabinet or the Prime Minister. They make or break governments and decide which direction the government must take in economic policy. Only if they are nationalised under workers control and management can there be genuine democratic running of society. Without this it is impossible to plan and organise production to the maximum extent possible. Only then can science, technique and the skill of the working class be utilised to produce an abundance of goods for the benefit of the population as a whole.

It is private ownership and the national state which prevent the full utilisation of society's resources, this is our fundamental criticism of capitalist society that unemployed machinery goes together with unemployed workers.

Marxists support every step forward by the labour movement while explaining that with a crisis of capitalism only its abolition can solve the problem of providing even minimum standards of living for the working class. In the struggle in defence of their rights and for better standard of living the working class will become convinced, by their struggle for day to day demands and the limitations of the economic programme of the Tribunites and the Labour Party that only a socialist transformation of society can give them these minimum demands.

It is impossible for the Tribunites economic demands to be achieved under a sick capitalism. This brings enormous dangers for the labour movement. Once a left Labour government takes office it can result in enormous disillusionment, unless Marxists explain in advance that stopping half-way with only partial measures of transformation can even render the economic situation worse and the Marxists are able to win support for a clear programme. Undoubtedly big business will sabotage the programme of a left Labour government. That is why the capitalists' power must be completely broken.

The evolution of Tony Benn is significant and very instructive. From being on the right wing of the party, within the space of a decade, he moved to the position of the most consistent representative of left reformism.

In the long term the Tribune group will split with the more radical groups round Benn, Skinner, Maynard

and others moving to the left. The programme of the Tribunites of partial measures will be conducive to splits and convulsions in the Tribune group in Parliament under the remorseless pressure of the insoluble crisis of capitalism itself.

Events outside Parliament will have enormous repercussions within the Tribune group within Parliament. Present disagreements and differences expressed in opposition to Tony Benn contesting the Deputy Leadership with Healey and attempts to try and patch over the differences between the right and left on policy, programme and method is a reflection of the processes that will take place in the Labour Party under the increasingly furious attacks of capital.

The late candidacy of Silkin is not only a question of 'ambition' on the part of Silkin and putting down a claim to become leader of the Labour Party if Foot should retire but is an attempt to try and 'stop Benn'. This is a clear reflection of the split within the Tribune Group even at this stage of developments in the Labour Party.

Fissures and splits in the left will develop at each stage of events as the organic crisis of capitalism unfolds. The crisis of capitalism is a crisis for the Labour Party and the 'official' left of the Labour Party also. As the masses begin to draw revolutionary conclusions from their experiences so these conclusions will be translated into the trade union and Labour Party organisations. This process has now extended over a dozen years or so and will gather speed with the development of events and as the organic crisis of capitalism deepens. This will not even be halted by the minor booms and slumps that will take place on the background of the organic decay of capitalism in Britain.

It will have as an effect a massive differentiation in the Labour Party. Already the right wing in the wards and constituencies are a survival of the past mainly of old people and myopic councillors who cannot see beyond parish pump politics. Some of these who in their youth had radical and socialist aspirations will have them revived as a consequence of the struggles of the working class and the measures that the capitalists have undertaken. The breaking of their reformist illusions and the incapacity of the right wing Labour government to improve the conditions of the masses, may move some of this old right wing layer to the left. Others will drop away, a minority will join the Social Democrats. However, the process of radicalisation, as in France and Italy, is inevitable and will leave no room for the right wing which already in many CLPs has been greatly weakened.

The right wing's main points of support are some union leaders and the Parliamentary Party. That is why the bourgeois set such great store on the independence of the Parliamentary Party from control of the rank and file. They also have an important base amongst councillors and particularly in moribund GCs and Wards. As these renew and revitalise themselves on the basis of events, the support for the right wing will tend to dwindle and disappear. The right will become more and more an unimportant rump inside the Labour Party without credit and without a future. With the crisis of capitalism, the right wing will be winkled out one at a time from their Parliamentary and council seats, that is

if they do not split as a whole body during a crisis in a majority Labour government after the next election.

But the processes are never carried through to a conclusion because of the failure of the Tribunites to put up a firm resistance to the right wing's policies and attitudes. However as events develop the right wing as an organised force will be shattered. The struggle will become one between Marxism on left reformism and

centrism.

Events will powerfully reinforce the Marxists' detailed criticism of the inadequacies, gaps, inconsistencies and bankruptcy of the programme of the left reformists. This in a process of friendly criticism and fraternal discussion. Marxism will gain strength in the Labour Party and Trade Unions.

TRADE UNIONS

The strategists and spokesmen of capital in Parliament, the board rooms of big business, the CBI, the Institute of Directors, the media and the press rack their brains on how to emasculate, weaken and take over the trade unions in the interests of capital.

In the pre-war period, in the pages of the popular press and particularly in the editorials of the Times, they could thunder against the union leaders and threaten to destroy the unions if the union leaders did not "restore control" over the rank and file. In this connection they could refer to the praiseworthy examples of Italy and Germany.

In those days there would be fire and brimstone in the editorial columns of the Times demanding that the leaders keep control of their members or face the consequences. Now all the spokesmen of big business, the media, the press, the Tories, the Liberals and their Social Democratic allies all attack the unions and demand savage measures to restrict their rights and immunities. They try to put the responsibility for the crisis of British capitalism on the shoulders of the 'selfish', 'greedy' and 'insatiable' demands of the union leaders! As though the leaders were not reflecting the pressure of the rank and file. They call for draconic measures and stringent laws to try and hold down the unions. Especially detested is the closed shop. But all this ranting will be in vain.

Thatcher, Howe and Joseph, consistent with their reactionary attitudes, have demanded further attacks on the rights of the unions. The Institute of Directors is baying at full pelt in this regard. Because of the situation which they find themselves in they are utterly incapable of learning the lessons of history. They have even forgotten the events of 1970-74 when the attempt to restrict the rights of the workers by the Heath government resulted in an absolute disaster for big business. At that time the CBI and the Institute of Directors made haste to try and explain that they were not in favour of measures of that sort. In practice it is the logic of the class struggle that forces them to take this attitude.

But whereas in the past they have felt themselves strong enough to take action against unions on their own behalf, now the employers have to rely completely on the state to take measures against the workers and the unions. They need the state as a policeman of the

workers. This of course shows the role of the state to the active layers of the workers.

They have forgotten that it is not lawyers and Parliamentary Acts that can sort this question out, but only a confrontation between the classes. A confrontation which they fear far more than the capitalists feared such a confrontation in the past. At various stages of the class struggle in the past the capitalists have been quite prepared to pay the cost of a showdown with the workers. Now they are not sure of the results and therefore try and rely completely on the state to take measures in their interests.

In addition to the legislation already introduced by Prior restricting secondary picketing and other rights there is a deafening barrage of propaganda against "tyranny" and the 'unpopular' unions. An unpopularity which even under difficult conditions of slump and depression has not prevented the unions from gathering in their ranks, together with their families, the overwhelming majority of the population. Thus despite the convulsions and the defeats suffered by Heath on this question, the bourgeois are still reaching out for some means of tying the unions hands and feet to the chariot of capital.

This pressure for the state to take measures on behalf of the employers is because the unions have become an enormous bulwark of the working class. However, legislation of this sort will always fail, as it has failed in Australia and in New Zealand in the recent period. The unions as defence organisations of the working class are more powerful than they have ever been in history before. This is not only so in Britain, but in all the main industrialised countries as well. But in Britain, in addition there is an enormous cohesion of strength and power accumulated in the upswing which no Parliamentary Acts can weaken.

The only thing that can weaken the power of the unions are the reformist policies of the union leaders themselves. Lenin thought that no more than one third of the working class would be organised under capitalism. That is because he expected the socialist revolution decades before the development of the present situation. Because of Stalinism and reformism the overthrow of capitalism has not taken place. In this situation where capitalism has survived the working

class has looked to its own organisations to protect and strengthen itself and as a consequence there has been an enormous growth of the trade unions, not only in industry where the bulk of industrial workers are organised, but also among white collar sections of the working class as well. Even now in Britain, more than half the employed workers are organised in the unions.

The pressure of the working class has been such that the unions, particularly those based on manual workers and not on skilled aristocracy of labour, have begun to swing towards the left. The swing to the right of the AUEW and the EEPTU is an aberration due to circumstances which Marxists have explained in the past. But inevitably under pressure of events there will be changes in the AUEW and the EEPTU as well. It is only the failure of the Communist Party and the reformist left which has given the powerful basis to the right wing in both the AUEW and the EEPTU.

Nevertheless, decisive sections of the workers have swung to the left in the TGWU, UCATT, ASLEF; there is the beginning of the move towards the left in the NUR, NUM and partially in the GMWU. In addition to these developments in the manual unions, USDAW and the Civil Servants have begun to move towards the left and even a union like APEX with reactionary leadership will begin to change under the pressure of events.

With setbacks, interruptions, backsliding there will be a move towards the left in the unions. This will be dictated by the experience of the working class themselves, there is no other way in which they can defend their living standards, their conditions and hours without transforming and changing the set up in the unions themselves. This move towards the left is inexorable but that doesn't mean to say that there will not be temporary setbacks, vacillations and steps backward. But these in turn will prepare for even bigger moves forward by the workers and a further swing towards the left.

The witch-hunt activities of the NUR leadership can boomerang. A Marxist campaign can have a big effect inside that union. The attack by one of the NUR leaders on Tony Benn had enormous repercussions inside the NUR itself. That is a symptom of the mood which is developing in this section of the working class, a very organised and very loyal section of the labour and trade union movement.

The strategists of capital have been compelled to adopt a policy of pinpricks and manoeuvre rather than attempt a direct confrontation with the unions. They have used all sorts of demagogic issues like the 'tyranny' of the workers in 'forcing' people to join the unions. What they want is full freedom for blacklegs. The Tories of course do not raise the issue of union recognition and freedom to join a union as was seen during the Grunwick struggle. In that struggle they completely supported the employers and the scabs in order to break the attempt to organise those workers.

While the main cause of unemployment is the crisis of capitalism and the policies of Thatcherism, nevertheless undoubtedly it is partially a deliberate policy on the part of the employers and the government to try and weaken the power of the unions. The bullying and the pressure by the Leyland bosses on the engineering workers threatening to close down the industry and in the engineering industry in the West Midlands generally

is an indication of this process. The West Midlands workers are now getting their baptism of hardship, belt tightening and unemployment on the same scale as their Northern brothers and their brothers in Wales and Scotland. They are experiencing these things in a way that they have not experienced even in the 1920s and 1930s.

The strength and tenacity of the working class is shown in the fact that despite a slump of vast proportions the number of workers who have left the unions is of insignificant proportions. This is entirely different from the situation that existed in the 1920s when in the face of the recession that followed the brief post-First World War boom there was a fall in trade union membership of about 50%. This is an indication of the instinctive mood of workers to be organised and to support the unions. It is also an indication of the failure of the media campaign to smear the unions and to try and undermine them as a force and power within British society.

Birmingham and the West Midlands was the home of Chamberlainism before the First World War. Chamberlainism was based on a certain industrial expansion which still continued over the last 6 or 7 decades, the development of the motor industry, and other ancillary industries in this region of the country.

Now for a temporary period, the workers in the West Midlands are shell shocked and stunned at the impact of the crisis, a crisis that is entirely unexpected to them. Possibly it will require some industrial revival before the mood of depression, despair and indifference that has developed in the West Midlands, at least among the mass of older workers, will change.

They are experiencing what their brothers in Scotland, Wales and the North experienced before the First World War and in the inter-war period. They will learn enormously as a consequence of this experience. Whereas in the past the Midlands have been an area which was politically backward and in which the right wing dominated the unions, as a consequence of the "prosperity", now the situation will change. Once the workers become revived and active again there will be a big swing to the left in the trade unions, among the shop stewards and among the Midland workers generally.

Between 1970-74 Heath and the Tories tested out the power of the working class and so long as the ruling class feel that there is another way out, they will attempt to avoid a confrontation with the mass workers' organisations. Thus the "Iron Lady" has backed down rather than face an all out confrontation and the possibility of a general strike at the present time. The strategists of capital behind the scenes have advised the so-called 'Iron Lady' to show that she is made out of feathers rather than of iron in face of a real showdown with the heavy battallions of the working class. The strategists of capital understand that a strike of this sort could easily develop into an all out confrontation between the organised working class as a whole and the Thatcher government. There is the outline of a possible general strike under these circumstances, but it may have entirely different consequences to the general strike of 1926.

It is not certain that the capitalists would be able to organise a heavy defeat of the workers as they did in 1926. Of course with a Marxist leadership a general

strike would result in an all-out victory for the working class. But even with the leadership as at present constituted, there is a possibility that an all-out general strike would pose the downfall of the government in the same way as the Heath Government broke down before the movement of the miners in 1974. With Marxist leadership of course a general strike could prepare the way for the coming to power of the working class through the union movement in Britain.

Of course the union leaders are even more eager than the Tories to avoid any confrontation. The Tories could easily be pushed from power if there was a campaign by the trade union and labour movement which put forward a socialist perspective as a solution to the problems which face working people.

However even with the present vacillating TUC leadership, which even now would like to come to some sort of arrangement and compromise with the Conservative government, an all out confrontation and even a general strike would not necessarily result in a heavy defeat. The government would be compelled to compromise, as the French capitalists had to compromise in 1968, and give certain concessions to the workers which they would then take away by inflationary measures. Therefore, unlike 1926, the ruling class will as far as possible avoid deliberately provoking the working class in order to break the trade unions. They will try to prevent as much as possible a decisive confrontation between the workers and the capitalists. Only when the capitalist class are convinced that there is no other way out will they be prepared for a final show down. This could lead to a full scale confrontation—a royalist-bonapartist coup which in its turn would lead to civil war. There is the possibility that the capitalists could blunder into a general strike which they were not prepared for.

The phenomenon of the post-war epoch of upswing in Italy, France, West Germany, Britain and other countries has been the immense accumulation of power by the working class. That was the enormous positive side of the world economic upswing so far as the advanced capitalist countries were concerned. This power of the working class is above all expressed in their organisation, the trade unions.

Lenin and Trotsky long ago explained that with Marxist leadership of the Labour Party and the unions, they would be invincible. 1968 in France is a perfect example of the possibilities of taking power peacefully under such conditions.

Thatcher's attempt to back away from all-out confrontation is met half way by most of the union leaders who are actually terrified of the enormous power that they possess.

The development of even a 'moderate' boom with an increase in industrial production of perhaps 1 or 2% plus an increase in investment instead of the enormous fall that has taken place would change the psychology of the workers completely.

It is interesting that the strategists of capital usually come to the same conclusions as the Marxist, albeit from different class poles. They act from the point of view of capital and Marxists from the point of view of the interests of the working class. The strategists of capital in the Financial Times and other journals of big business have attempted to advise the capitalists not to

turn on the screw too hard, like the bosses in Leyland have done, because of the inevitable widespread resentment and fury that is building up within the working class as a consequence.

These strategists understand that the working class may accept for a period redundancies, speed-ups, cuts in living standards and only moderate increases in wages, not sufficient to compensate for the inflation that is taking place. But they do so with gritted teeth, and inevitably when the economic situation changes the way will be prepared for their revenge and for an offensive on the part of the working class. The advice of the strategists of capital in this regard is, of course, in vain. The bourgeois take advantage of every opportunity to increase their profits, not caring much about tomorrow. After a short experience of boom conditions there will be an enormous movement on the part of the workers. The West Midlands workers and especially the workers in Birmingham will be not the last in this regard. Bitter conflicts on wages, hours, and conditions are inevitable, unless the capitalist are prepared to give way without a confrontation and without a battle. This is extremely unlikely given the general crisis of capitalism that has developed.

In Australia the workers on the basis of a boom of 4% have waged this year massive struggles in order to increase their wages, to compensate for what they have lost in the past two or three years and have battled for a 35 hour week. No great publicity has been given to this, especially in the popular press for fear of the conclusions which will be drawn by the active conscious layers of the British working class. In Australia the Tory government under Fraser, threatened the employers with drastic taxes if they granted the 35 hour week. In spite of this the employers were compelled to call the government's bluff. In industry after industry they have conceded a 35 hour week, after the enormous pressure of strikes by the working class. This is because even with the concessions of this sort in a boom of the character that is taking place in Australia, the bosses can sense the enormous profits they can still make.

A similar situation could develop in Britain, possibly towards the middle or end of next year, if there is an economic revival or certainly, if not next year, then during the course of 1983.

Under such circumstances, all the calculations of the blind strategists of the Thatcher government that towards the end of 1982, and the beginning of 1983, in the run up to the next election they could change their policy and allow concessions to the working class would be in vain. The working class will move into action to gain revenge for all the indignities and impositions that have been heaped upon them during the course of the Tory government.

It is necessary that Marxists should not be caught by surprise at events in the Labour Party or in the trade unions. The Thatcher government will be caught out by the development of events themselves. Not only that but as a consequence of such pressures on the part of the workers the Thatcher government might again be forced to introduce an incomes policy and a squeeze on state spending, as the only way of holding the workers in check at least for the period. Under these conditions, it would seal the doom of the Tories, who would face an overwhelming defeat in the next election.

Despite retreats, tacking and manoeuvres on the part of capital and the Tories in the long term it will be impossible to avoid conflict with the unions and the working class. This despite the desires of both the union leaders and the government to avoid such confrontations.

Under such circumstances with the decline of British capitalism the unions have the possibility of being transformed into organs for the transformation of themselves, the transformation of the Labour Party and the transformation of society. Of course the process also is vice-versa. Developments in the Labour Party can have a spin off in the trade unions as well as the opposite. The victory at the Wembley Special Conference of the formula for the election of the Leadership of 40% for the trade unions, 30% for the constituencies, and 30% for the MPs, has had the effect of stimulating a further transformation of the Labour Party and in its turn has stimulated the same process in the unions. At first the right wing, aided by Michael Foot, endeavoured strenuously to abandon this formula to give the parliamentarians a bigger say in the election of the Leader. The formula that they favoured, and even this was a compromise as far as the right wing was concerned, was 50% for the MPs, 25% for the unions, 25% for the constituencies.

Despite an enormous media and almost hysterical campaign in the press, radio and TV against the Wembley decision one union after another has reaffirmed this formula. As a consequence there has been a complete abandonment by the media of the campaign on this question. They accept that this formula will not be overturned at the Labour Party conference. They do not want to expose themselves to ridicule by waging a campaign against a foregone conclusion.

This is again a confirmation of a law worked out by Lenin and Trotsky of the slow, ponderous but tenacious movement on the part of the British workers. Once they have made a gain it is very difficult to take it away from them. This applies not only in the field of the economy and politics but also in the inner relations inside the Labour Party itself. This formula, which was originally moved by Marxist supporters in USDAW, has now become the formula for the Labour Party.

Nevertheless despite the acceptance of the formula the struggle of the neanderthal men for regaining control of the Labour Party if anything has become even more strenuous and determined as it has expanded into a campaign to maintain control of the unions as well as regain control of the Labour Party. Even in the unions the extreme right wing still control, like the EETPU and the AUEW, the water is lapping at their feet. Any King Canute attempts to hold back the tide of history will be useless. The workers in the EETPU and AUEW will join their brothers in the conscious work to transform the unions and transform society. The objective progress of the decay of capitalism, the reaction of workers to this on the one hand and the conscious activity of Marxists in the Labour Party will determine that the process reaches a successful conclusion.

This process has been shown clearly in the smaller unions such as the Bakers and the Seamen, which moved from a semi-company status to a position on the left of the unions as a whole, in the case of the Bakers even assuming Marxist leadership. But the movement of the workers in the trade unions in a conscious socialist direction will have a reaction on the Labour Party and on the other hand the movement of the workers in the Labour Party in a similar direction will also have a similar effect in the unions.

All these processes taking place in society over a period of a decade or so should fill conscious socialists with enormous optimism. The bourgeois fear of having a decisive clash with the workers is due to the relationship of forces and the decay of their system. The pessimism of the bourgeois in the development of their system and finding a way out of the impasse in which they find themselves should fill the class conscious workers with enormous optimism.

The bourgeois system rots while the ideas of Marxism are gaining support in the Labour Party and in the trade unions. With correct strategy and tactics on the part of the conscious socialists there should be assured a development of the labour and trade union movement in the direction of an understanding of the processes affecting society as a whole and the need for the socialist transformation of society.

YOUTH

Youth are the key to the future. They are the most energetic and idealistic section of the population. Youth are imbued with fervour, energy, idealism and the desire to change society. They are more affected by mass unemployment and the crisis than any other part of the population.

As there is no future under capitalism for large sections of the youth once they understand this perspective then youth can be won to the ideas of Marxism and the transformation of society. At the present time youth are in a state of ferment and revolt.

This was shown by the widespread nature of this summer's rioting. This was because in proportion, the

number of unemployed among the youth is higher than any other section of the population. There are no perspectives of any future on the basis of the development of capitalism.

Marxists have always been against looting and rioting, but there will be an inevitable increase in outbreaks of despair of this sort unless the youth can be organised within the framework of the labour movement. Frustration, despair, despondency and anger at the blind alley which youth find themselves in under capitalism finds a vent in this way.

Youth can be reached on the streets, at football matches, in the factories and in the union organisations.

The more intelligent and active sections of the youth will be looking for an alternative to the situation in which they find themselves.

The youth are the most radical section of the population and unless Marxism can make big gains amongst the youth it is possible that they could turn to blind and futile terrorism and similar actions and stupidities of this sort. In that sense the situation in Germany and in Italy are a warning of the possibilities which can develop in Britain.

The youth can be made to feel themselves part of the movement of the masses if they can be involved in the Labour Party Young Socialists. At the same time despite the indications of the sickness and impasse of society such as aimless hooliganism and drug taking from the youth can come the best fighters in the struggle against capitalism.

The failure of the TUC and the Labour leaders to give a lead against Thatcherism in a negative sense prepared the way for the riots. In a negative sense also, this showed the enormous potential that exists among the youth if it was harnessed in a positive direction.

White and black youth can be linked to positive struggle in the interests of workers to gain a better dole and social security at least at a minimum decent level. The youth can be organised to fight for jobs or full maintenance and massive public works at trade union wages.

It has to be developed and explained the perspectives that would exist if the use of the potential of society, the harnessing of science, technique and of the enormous resources built up by the labour of the working class over the centuries could be used for constructive pur-

poses for the benefit of the mass of the population. The potential of the full use of all these techniques would mean low hours and high wages for every section of the population. With microelectronics and the other techniques at the disposal of society undreamed of prosperity could exist for every section of the population, not only in Britain, but internationally. These aspects must be brought out to the youth and to the population as a whole.

Youth is ready for the ideas of internationalism, the struggle against nuclear arms, against narrow nationalist ideas. The struggles against nuclear arms, against the European Economic Community must be linked up, not negatively as single issues, but to the general struggle for socialism, not only for a socialist Britain but also for a Socialist United States of Europe.

Given horizons and perspectives youth will bear the brunt of the struggle to transform society that is beginning at the present time. The youth can play an enormous role in the rebuilding of the labour and trade union movement on socialist lines. The youth would be receptive to the ideas of Marxism precisely because they are fresher, less cynical and less jaded than any other section of the working class. They have not experienced the defeats, the disappointments or the vicissitudes of the past. They feel themselves in a blind alley at the present time. If they can be reached with the ideas of Marxism, undoubtedly they can help transform the entire labour and trade union movement. The key to the transformation of the labour movement lies in the winning over to the ideas of Marxism of a big section of the working class youth, the students and of the youth in general.

WORKING WOMEN

The crisis of capitalism enormously reinforces the role of working class women in the class struggle. All history demonstrates that once roused the working women are more militant and enduring in struggle than working men.

Once they realise that the desire to build homes, shelter and security under capitalism are an illusion this stimulates enormous combativity on the part of the working women. In the past couple of decades working women have been compelled to abandon their homes and work, as only two wages will give a reasonable standard of living. Having been disciplined by work in factories working women—who bear the burden simultaneously of running the home, of housework and looking after the children—and who have avoided the struggle as far as possible will now be involved in the front rank of class battles.

The attitude of the women at Lee Jeans who have just gained a victory at a time when other sit-ins have been compelled to compromise or even have gone down to defeat is an indication of the tenacity of working women once they are aroused. This movement in Lee Jeans is a

glimpse of the fighting spirit and sacrifice working women will be prepared to undertake when they realise that their problems cannot be solved by present society.

Under these circumstances working women will enter in large numbers into industrial and political struggles of the working class. For decades the right wing officials manipulated the womens' sections and womens' conferences as a means of guaranteeing support for the neanderthal men in the trade unions and in the Labour Party. The Labour Womens Sections became really tea makers and cleaners up rather than political discussion groups. They were regarded as a docile voting fodder by the right wing.

Now the crisis has changed things completely. Working women in comparison with their brothers and husbands in industry and in the Labour Party are beginning to swing towards the left. The older generation's memories of the 1930s have been revived by the experience of mass unemployment and hardships which this involves during the course of the last few years. Particularly they have been hit by the measures that have been undertaken by the Tory government and by

unemployment. All the ideas of struggle and socialism that they possessed in the past are being revived. The depression has engendered among the younger working women an enormous exasperation; an enormous will to change things.

Women's Sections in the Labour Party and women in the trade unions will assume greater and greater importance as the struggle develops and as the crisis of capitalist society manifests itself in the coming years. The ideas of Marxism will be eagerly received and accepted by working women.

The struggle for equal rights and equal wages is part of a Marxist programme on the issue of women. Rejecting the alien, hysterical ideas of the so-called 'Womens Liberation Movement' and on the basis of the experience of working people, working women will see the need to fight shoulder to shoulder with their brothers in the struggle to transform the unions and the Labour Party. Marxist ideas will become part of the struggle of working women. Working women will take their place of honour in Labour's struggle. They already are appearing in large numbers in the youth.

Reforms in education, creches and so on assume enormous importance under conditions of capitalist

decay. But there can be no complete solution or equal rights until capitalism can be overthrown. This is shown by the fate of the Equal Pay Act which was introduced in 1969 by the then Labour government. In effect it is a dead letter. In wages and conditions working women are still unequal.

The women's role is not as a separate segment struggling independently of the workers movement but as part and parcel of the common struggle of the working class to transform the Labour Party and the trade unions and to change society.

Unemployment hits minorities and working women hardest. Blacks and women are first to be fired and last to be hired. The organic crisis of capitalism now assumes a permanent army of unemployed and a permanent army of jobless women. Capitalism attempts to drive women back to the four walls of the home. This means that the working women who were compelled to work in order to supplement the household income now find that not only they are out of work but in many cases their husbands also! With a minimum of 2½ to 3 million unemployed this is the setting for the coming radicalisation of women who will play an enormous part in the transformation of the workers' organisations.

BLACKS AND ASIANS

Capitalism in decline hits the most oppressed and exploited sections hardest, even worse than the working class as a whole. The black population of West Indians, Africans and Asians is hit the hardest by the oppression of capitalism. In addition to the worst and the dirtiest jobs there is overt and covert discrimination against the black sections of the British population.

Especially young blacks face higher unemployment, the worst housing and the worst conditions of all sections of the black population. As a consequence there is an explosive attitude among the youth of West Indian, African and Asian origin.

Already approximately 50% of the black youth are born in Britain. The black population has become part of the British economy and part of British life. Even the bourgeois recognise now that Britain has become a multi-racial society and that this cannot be changed by any measures that they would like to undertake.

The bad conditions on the one hand and the deliberate provocation of the fascist British Movement and the National Front in Southall provoked the first riots that took place during the summer of 1981. These riots followed the riots in Bristol in 1980 and in Brixton in April. In addition to unemployment and bad conditions police harassment has provided the final spur as far as the youth as a whole are concerned. One of the most noticeable phenomena of the riots is that they were not race riots in the sense of the race riots in the USA in the 1960s. It was a riot of the youth, both black and

white. Stimulated by the bad conditions of mass unemployment and hardships, aggravated by the police harassment of both black and white youth in the inner-city areas.

It is significant that only the youth organisation of the Labour Party attempted to harness the anger of the youth in a positive direction away from the senselessness of rioting and destruction. Nevertheless in spite of its negative features it is necessary to point out that these riots were the responsibility of the Thatcher government and the measures that they have undertaken. They were also the responsibility of the police because of the harassment that has been building up anger over a period of years. However, the riots of this sort, particularly when they end up in a orgy of looting will alienate the working class and alienate the population as a whole who see in this merely a scene of chaos and anarchy.

It is necessary to join the revolt and the struggle of working youth to the organisations of the workers through the youth, Labour Party and trade union movement. Already the more self-sacrificing sections of the black workers, in common with their white brothers, are trade union activists and shop stewards. They recognise that blacks, and this is an instinctive feeling on the part of the mass of black workers, can only find a solution in joint struggle with their fellow workers in the Labour Party and the trade unions for reforms and, of course, ultimately for a change of society.

In fact the most significant feature of the riots in Toxteth, Brixton, Manchester and other areas was that they were joint riots of black and white, mainly youth, protesting against police harassment, bad housing, unemployment, bad conditions and general deprivation leading to a total alienation of these youth from society.

This was an instinctive understanding of the need for solidarity rather than to move on the basis of seeking separate solutions on racial lines, which of course, would only be a blind alley. Linking together in the struggle means that this section of the youth can be won to be in the front rank of the struggle to change society.

STUDENTS

There has been a lull in the student movement in the last few years as the student population as a whole were preoccupied with the increasing need to obtain good results in order to try and get jobs after passing their examinations. The student radicalism of the 1960s has fizzled out.

Nevertheless there are still large sections of students who are looking for a way out of the situation in which they find themselves. As the number of working class students has declined to an even lower level in the recent period it is still overwhelmingly students of middle class origin who are in the universities at the present time. There are large numbers of students who understand that at the end of their courses many will be without jobs and without a future. Consequently large numbers can be won to the ideas of socialism and of Marxism. It is the policies of the National Union of Students, influenced in the main by the Communist Party, which has meant that no real struggle has taken place in the universities and colleges at the present time.

Unfortunately the 'National Organisation of Labour Students' (NOLS) which is dominated by the Tribunites is incapable of taking any real initiative. Therefore the large scale move towards socialist policies which could be obtained by an energetic campaign on Marxist lines has not taken place. Thus NOLS has largely failed to win students to the Labour Movement. On

the basis of a campaign linking the work in the student field to the issues facing non-student youth big gains could be made in the universities and colleges as well as among youth generally.

Students can be won to the labour movement, but unless they put themselves on the standpoint of the working class, on the standpoint of Marxism, it will not be possible to maintain a consistent activity, work and a consistent socialist outlook. Students won to Marxism must put themselves on the standpoint of the working class. They have the opportunity to read and study the works of Marxism, but unless they can win workers to Marxism their activity will be barren and useless. Therefore students won to the ideas of Marxism must be active within the labour and trade union movement as a whole, then they can have an important role to play.

Many students that would normally be attracted to the Tories are being attracted to the Social Democrats at the present time. This does not commit them to any real activity or to any real thought as to the problems that face the working class in society at the present time. Nevertheless many students can be won to the ideas of Marxism and play their part in the struggle in the Labour Party and in the labour movement preparing the way for the decisive swing of the mass of the population as a whole to the ideas of Marxism.

COMMUNIST PARTY

In the period where a revolutionary organisation with great traditions should have enormous possibilities of growth, the Communist Party is in precipitous decline. In reality, they are to the right of many of the trade union and Labour lefts. They have dissipated the inheritance that they had from their past activity.

They still have particularly in the engineering industry roots in the factories among shop stewards and among the organised workers. But even here they constitute a tiny minority of the active workers.

The CP's links with the Soviet Union from being a position of immeasurable advantage has now become a disastrous impediment. They bear the odium of the

measures of Stalinism in the different countries. The revolt in Poland has put a new nail into the coffin of the CP. The workers instinctively feel that in the Soviet Union, Eastern Europe and in the countries of proletarian bonapartism generally no democratic rights exist and that there is no direct control by the working class over society. Without consciously understanding it, nevertheless workers realise that a bureaucratic system of this sort cannot move in the direction of socialism and democratic rights for the working people. The odium of Stalinism clings to the CP at the present time.

The CP faces the disadvantages of turning into a neo-

reformist organisation and simultaneously being linked with the odium and smear of Stalinism in Eastern Europe and Russia. As a small neo-reformist organisation competing with a powerful reformist organisation like the Labour Party the CP has no possibility of mass recruitment. The Tribunites and the lefts within the Labour Party constitute a powerful pole of attraction, whereas the CP has nothing to offer the working class. It ceased to be revolutionary and at the same time the ogre of Stalinism still clings to them, because they have failed to explain to the workers what has happened in Russia and why democratic rights do not exist either in Poland, Eastern Europe or Russia itself.

For this reason not only are they not a pole of attraction to the mass of the workers, but they are no longer attractive even to the advanced workers looking for a revolutionary alternative. In the last decade they have declined rapidly in their support in England and in Wales. They held on longer in Scotland where they had deep roots and where they succeeded in maintaining some sort of organisation. Now in Scotland too they are in precipitous decline in former strongholds, such as the Clyde, Strathclyde and Dundee. From having 29,943 nominal paper members in 1973 today the CP claims 18,458, only 70% of whom pay subs and still less are active!

Because of their reformist approach and their lack of perspectives there is no elan, enthusiasm, or drive of the Communist Party members. They are in a similar situation as the ILP at the time of its decline, when it became isolated from the mass of the working class.

If Marxist ideas gain mass support in the trade union and the labour movement this will not leave room for the development of the Communist Party on the lines of the Communist Party in France or Italy.

Particularly among the youth the CP has no attraction at the present time. The YCL is a dead organisation of less than a 1000 paper members. Thus the springs of organisation which lie in the youth are no longer available to the CP as they are not attracted to "Communism" as they were in the past. The youth that they do attract into the YCL are fobbed off with sport, parties and to a great extent no real political education of the youth is attempted. As a consequence, even where they do succeed in attracting elements amongst the youth these are lost within a short period of time.

The CP is following in the footsteps of the Independent Labour Party also in the sense that at the present time they have mainly old and aging members. These maintain their membership of the CP mainly as a result of force of habit and no longer from deep conviction. They have no deep faith or conviction in the future of the Communist Party or in the policies of the Communist Party at the present. The CP is a dying organisation. One of their main activities like the ILP in this period of decline is obituaries for old cadres who have remained within their ranks.

In the period of 1970-74 they gained slightly in spite of themselves, especially in the shipyards and factories of Scotland. Now all this has been lost. Even CP conveners, Shop Stewards and so on have become mainly organic reformists. Decades of opportunist policies have now entered into the bones and framework of the Communist Party itself. Apart from some militants in the trade unions and amongst the shop stewards the CP has

no mass roots.

The Morning Star formerly the Daily Worker until its name was changed, which was in itself a sign of the CP's decline into a reformist organisation, is declining in circulation and in support. The Morning Star is a dead paper, reflecting a dead organisation.

In so far as the CP has an influence in the top layers of the trade unions and TUC as a result of 50 years of activity, they adopt reactionary "non-class" policies. Thus they derailed the 'People March for Jobs' from its beginning onto non-class channels. They entirely support and justify the TUC's position of organising demonstrations of "all progressive organisations" together—'progressive' Tories, Liberals, Social Democrats, along with workers' representatives!

Policies of this sort repel and alienate the active layers of the working class, and have no attractive force for the working class as a whole. The class roots and the class nature of the crisis that exists in British society is ignored and glossed over in the policies of the Communist Party.

Marxism had the perspective, in the past, that the CP would grow at least into a secondary party of the working class. This has been falsified by events. In France, Italy and Spain, the Communist Parties still remain as a mass force within the trade unions and the labour movement unlike the British CP which is becoming more and more ossified as a sect. Like the sects they adopt the fringe issues which are not directly relevant to the struggle of the working class.

The possibility of course is still not excluded that in desperation and despair, as a consequence of the failure of the labour and trade union movement in the future, that the CP could grow. But it is far more unlikely than in the past because of the growth of genuine Marxist ideas within the youth and the framework of the Labour Party. Thus the CP is no longer the menacing factor that it was in the past, although it still constitutes an obstacle on the road to the development of the mass ideas of revolutionary theory within the framework of the labour movement. In so far as their ideas gain currency within the Labour Party and the trade unions this will have more of a deadening than an invigorating effect.

The growth of support for the genuine ideas of Marxism is one of the main reasons for the decline of the CP among the youth, and in the working class movement generally. The most likely perspective is a further inglorious decline of the Communist Party into an even less important sect. The CP will become a shadow of the shadow that exists at the present time. Already in Scotland and in other areas of the country, part of the CP is now collapsing into the Labour Party. These elements do not take up a Marxist position, but on the contrary generally reinforce all the worst aspects of the reformist ideas of Tribune and of the official left in the Labour Party. As the decline of the Communist Party proceeds and more and more workers in the unions, the factories and in the working class areas and estates begin to move in the direction of the Labour Party this process of CP collapse into the Labour Party will assume even greater scope. Of course as most of the remaining elements of the CP are old and hardened by the habits of a generation of activity in the CP many would just drop out of activity altogether rather than go into

the Labour Party. It will be the younger elements who come into the Labour Party often with all the prejudices and reactionary ideas of the Communist Party. Some of those ex-CP members that do come into the Labour Party can be won to a Marxist position but that requires, as with the sects, an even greater effort of re-education than with fresh trade union and militant workers coming into Labour Party and trade union activity for the first time.

The CP's policies remain a mish-mash of organic left reformism not even on the level of centrism, alongside pessimism and an inbuilt contempt of the working class's capacity to absorb revolutionary ideas and move in a revolutionary direction. They have nothing in common with the old party of Lenin of the early days. Under such circumstances it is not possible for them to recover the vitality and the viability of the Communist Party of the past. They are decrepit, void of revolutionary ideas and support of the masses. They possess nothing to attract left-ward moving workers.

In programme and in policy the CP is not fundamentally different to the Tribunites, who they have influenced in so far as they have an influence. They fawn on and support the left and not-so left reformists in the unions and in the Labour Party. They always try and come to some sort of agreement with the tops of these organisations, which is correct of course, but the CP does not supplement this by mass activity at the bottom. The CP looks merely to deals and diplomatic agreements rather than base themselves on the mass activity of the working class.

Within the framework of the unions they seem incapable of anymore taking a leading part in organising Broad Lefts within the unions. In fact, the victory of the right in the AUEW, and of course in the EEPTU, was entirely the responsibility of the methods and organisation of the Communist Party in those unions. In so far as they have an influence in the unions at the present time it is based on the inheritance of 50 years of past activity and militancy rather than on present policy and activity.

As the old militants, or correctly speaking the former militants die out, they are largely not replaced by a new young generation of fighters. On the contrary the middle class trendies and students are exercising increasing influence over the Communist Party. They alienate the worker elements in the Communist Party who are turned away and repelled as a consequence of the attitude of the petit-bourgeois and middle class layer that is taking over the Communist Party.

It was not an accident that one of their leading student leaders and ex-member of the CP Executive went over to the Social Democrats and in doing so said that she had not changed her ideas! Within the pages of the Morning Star and other journals of the CP she was not even treated in a way in which renegades would have been dealt with by the CP in the past. On the contrary they treated it as if it was a change from one compartment to another on a train, rather than an action from moving from an allegedly working class party to a party of capitalism.

The CP is dying and as the Marxists in the labour movement carry out correct strategy, tactics, policy and base themselves on Marxist theory, it is possible that the Communist Party will not recover from the debilitation that is effecting it at the present time.

The CP is suffering a deserved fate. Two generations of zig zag policies—from ultra-leftism to opportunism and back again—and now on an organic opportunist path have taken their toll of the Communist Party. Whereas in Spain, France and Italy the CP had an enormous tradition of support from the masses, in Britain that has never been the case. They once had the support of a legion of fighters who could have formed the basis of a mass revolutionary party had it not been for the degeneration of Stalinism in Russia, Britain and in other countries. The CP has destroyed whole generations of militant workers as a result of the policies and cynicism which Stalinism has engendered. Now they are only of secondary importance. Except that they do a certain amount of damage by affecting certain left-ward moving officials and Tribunites in the trade unions, especially by re-inforcing cynicism and scepticism regarding the working class movement's potential.

What is required is a burning faith in the capacity and the power of the organised working class once it has understood the day to day transitional policies and the socialist objective of the transformation of society. The CP is incapable of fulfilling these requirements and therefore it is doomed to destruction. The law of organisation is that where two organisations are putting forward roughly the same sort of policies then the masses will always go to the bigger organisation. Thus the CP has no possibility of transforming itself into a mass party. Particularly if the road to this development will be blocked by the growth of support for Marxist ideas and theory within the framework of the labour and trade union movement, especially among the youth.

THE SECTS

The plague of small sects, largely as a result of splits in other sects, has developed as a consequence of the failure of the larger sects like the IMG, SWP, and WRP to build and maintain mass revolutionary organisations according to their theories and ideas. At a time of organic capitalist crisis when the labour and trade union movement has not given sufficient leadership to the struggles of the working class and when, according to

the theories of the sects they should have been growing into mass parties by leaps and bounds, instead they are faced with decline, decay, splits and crises within their own ranks.

One of the main reasons for this crisis is the drying up of their student reservoir. The 'socialist measles' which affected the students in 1968 are no longer effecting this generation of students. The situation today is far more

serious than in 1968. There is no certainty of careers in the professions as was the case in 1968 and therefore the students are taking much more seriously the question of their careers and their jobs and so on. Under these circumstances there is not much room for kicking over the traces and sowing their wild 'socialist' oats. Thus there has only been a trickle of students towards the sects in comparison with the flood that took place in the past.

Of course students can be won to Marxist policies by putting themselves on the standpoint of the working class and can become an invaluable leaven so long as they are directed towards the labour and trade union movement and not into the wilderness.

The sects internationally are built on sand. The influx that they had of students on a false perspective has meant that once these students have jobs and positions along with the developing crisis in society, they have become a broken reed on which to lean. The majority of the students of 1968 have lapsed into cynicism, inactivity and even anti-socialist ideas. Marxists predicted that the sects in basing themselves on students were building on sand. Instead of getting the students to take up the standpoint of the proletariat, they reinforced all the elitist ideas of the students and as a consequence are now paying the penalty.

As Trotsky long ago explained, students gained can be of enormous value so long as they adopt the standpoint of the proletariat and demonstrate that they have adopted this standpoint of the proletariat by winning workers over to the ideas of Marxism. This can only be done by students that take an orientation towards the labour movement as it exists today and not towards the fantasies of building up imaginary parties as the sects have engaged in in the last period.

The sects scintillate with all the colours of the rainbow, but all of them are actually rooted in petit-bourgeois and middle class currents. In outlook in policy and in composition they come from the middle class overwhelmingly.

The WRP has now become a permanent little sect, outside reality with a mincing machine that destroys the few workers that they win and then vomits them out and gains new workers. Despite a permanent apparatus which give the appearance of a mass active force, in reality they are probably the smallest of the biggest sects. They have largely become a paper selling organisation which changes its rank and file sellers every few months, with just the old hardened sectarian apparatus that they have constructed remaining intact. The WRP is remote from the problems of the working class and the problems of the labour and trade union movement.

None of the sects have an important influence on the working class or the youth. They are playing out a dream of a revolutionary role, zig zagging like the CP in the 1920s and 1930s from opportunism to ultra-leftism and back again.

The British Mandelists, the IMG, are a dwindling force. It has largely collapsed into the Labour Party and on an opportunist basis. After a decade of binge of ultra-leftism laced with opportunism now the splinters have found their way into the Labour Party. Having failed in their attempted merger with the SWP, which led them on and then gave them a well merited kick in the teeth, they then decided to join the Labour Party! Overwhelmingly middle class in composition and in membership, the IMG has no hope whatsoever of winning big sections of support within the Labour Party. Most will be absorbed by the Tribunate middle class trendies who are also joining the Labour Party at the present time.

The sects have nothing to attract the trendies who look towards positions of councillors, MPs and positions of influence within the labour movement. As a consequence large numbers of the sectarians who have joined the Labour Party will be absorbed into the Tribunites, acting as a reactionary force so far as ideas are concerned. They are organically incapable of developing on any other lines. They are poisoned, incapable of showing anything but confusion politically. What is significant is that all the sectarian groups within the Labour Party join with the Tribunites, and sometimes the right wing, in opposing Marxist ideas when they are put forward.

They play the role of demoralising the workers whom they can affect. Some of their youth can be won to the ideas of Marxism, but these will be won in the course of the building of Marxist ideas and Marxist policy within the framework of the mass organisations of the labour movement.

The sects as on the question of Ireland succeed in being ultra-left and opportunist simultaneously.

The SWP is now in the doldrums. It still has some working class base, but is mainly composed of students and ex-students. They too are decaying while conducting convulsive activities which combine ultra-left and opportunist policies at the same time. They have a rabid attitude towards the mass organisations of the class, including the Labour Party. Nevertheless, as a result of the tide of workers moving towards the mass organisation they are bound to change. The SWP will split, the irreconcilable sectarians remaining outside the Labour Party while the remainder will drift on opportunist lines, like that of the IMG, into the Labour Party. Like the IMG this opportunist wing will gradually gravitate and be absorbed by the Tribunate left. Some, like Paul Foot, will probably become Tribunate MPs in the future.

The sects all spread disillusion, cynicism and scepticism. As Marxism becomes an important force in the working class and gains support in the working class generally the sects can do less damage than they have done in the past.

FASCISTS

As the fascists have split up and declined the thug elements have been unleashed and there has been an enormous increase in racial incidents, murders, arson and so on in inner city areas where there is a substantial black population. Attacks on individual blacks by groups of fascists armed with knives, clubs and other offensive weapons have proliferated. These murders and activities can be traced to the propaganda of the fascists and in many cases to members of the fascist organisations.

The virulent British Movement, which has gained from the disintegration of the National Front, has abandoned the mask of moderation. The remnants of the Front too have dropped the mask of moderation and put forward frenzied racist policies in an endeavour to try and build up some sort of following among the racially prejudiced sections of the population.

As was predicted by the Marxists as the fascists became more and more isolated and frustrated so there have been splits develop within the ranks of the fascists themselves.

As the movement of the Labour Party and the trade unions towards activity and struggle develops there has been no room for the fascists. The Marxists predicted the split of the National Front which has now broken into four groups. Each one competing with the other to be more virulent in putting forward openly the ideas of fascism which in the period of the Front's electoral activity they attempted to hide from their supporters to some extent.

As a significant and decisive indication of the failure of the fascists has been the fact that during the riots it was not a question of black versus white, but on the contrary of being joint activities of youth, black and white, against the police. In spite of the negative features of the riots, nevertheless it was clearly marked as a situation where the embittered alienated youth, both black and white, had joined together in struggle in the inner city areas.

Contrary to the ideas of the sects, the bourgeois have not used the fascists as an important weapon of capitalism. They have had no intention of handing over power to racial maniacs. The bourgeois in Italy and of Germany burned their fingers with the unleashed petit-bourgeois maniacs who politically expropriated the bourgeoisie before the second world war.

In addition as far as Britain is concerned, the capitalists have foreign policy considerations to bear in mind as well. Britain is now irreversibly a multi-racial society. Any support of the fascists will have enormous repercussions in Asia, Africa and in Latin America which form important markets for British capitalism. Any attempt to operate racist policies in Britain would result in irreversible losses in these markets, even

to the extent of losing these markets completely. Thus we saw that the Tory government had to change their policies on Zimbabwe and come to a compromise with the nationalists rather than risk the loss of markets in Black Africa. Thus from foreign policy considerations alone the fascists are doomed. The very factor that gives them strength and significance is the very factor that dooms them to impotence and would prevent them coming to power, even under conditions where the possibility might exist for reactionary organisations to grow and to develop.

However, the capitalists are not averse to using thugs, strike breakers and other reactionary elements for their own purposes. They are quite willing to use the fascists as auxiliaries of a royalist-bonapartist organisation. In Chile and in Italy the fascists were intended for use as auxiliaries to the taking of power by the army in a coup. Such a coup in the future is not impossible under conditions of crisis but it would be on the basis of a royalist bonapartist movement and not at all on the basis of fascism. The fascists will probably be absorbed by a royalist bonapartist movement or used as auxiliary thugs.

Because of the explosive potential that exists within the black youth, if the fascist provocations and attacks continue on the level of the past, it is quite possible that the bourgeois will crack down on the fascists as they did in Notting Hill in the late 1950s. They will give heavy sentences to fascists arrested for racial murders and the police will probably be instructed to take action against fascist provocations.

Nevertheless although the fascists constitute in reality a negligible force of reaction it is necessary to be constantly on guard even against individual incidents. Therefore, it will be necessary for the Marxist to continue to expose the fascists and advocate that the labour movement should take action against any attempt by fascists to organise provocative marches and attacks in black areas.

Trained and subdued the fascists will still be used as auxiliaries by capitalist reaction. But as leashed animals, strike breakers and as provocateurs to play a Jackal role to a bonapartist army as they intended to use them in Italy and did in Chile.

Because of the development of the riots the Tories have been forced now to give lip service to a multi-racial society. Nevertheless the discrimination, open and covert, will still continue as far as jobs, housing and the position of blacks in society. Brought to Britain as a weapon of cheap labour to split the proletariat and to hold down wages, the blacks can turn into the opposite force as far as capitalism is concerned. From being an instrument in the hands of capital to that of being in the front ranks of the proletariat for the transformation of

society.

It is significant that the mass of youth is not anti-black. Only a small section of the youth have been won to fascist organisations. Sections of these are misled youth looking for a way out of the situation in which they have found themselves and who have strayed into

the National Front, the British Movement and other organisations looking for 'socialist solutions'. Some of them, especially proletarian youth can be won away from the fascists and for the programme of the transformation of society.

The conclusions which Marxists draw from this analysis are:

All the forces of the old society are now in crisis. The capitalists and their parties—Liberals and Tories are in a cul-de-sac. The Social Democrats even before being formed are already showing signs of dissention. The ruling class is split and whatever policies are adopted will increase the crisis of capitalism.

The right wing reformists have seen the collapse of their policies. The policies of all the tendencies of Tribune and of the left reformists are utopian.

That is why the ideas of Marxism which are based on the objective realities and the economic processes of capitalism are winning more and more support within the labour and trade union movement. The working class has no other way out than the road of socialism.

This is why first the advanced active workers and then the mass of the working class will be won to the programme of Marxism.

All organisational measures or witch-hunts will fail in their objectives. It is impossible to separate Marxism from the labour movement because it represents the real interests of the working class and the aspirations of the advanced layers to fundamentally change society.

In future events, in the struggle of the working class the masses will see that Marxism, is a reflection of their needs and aspirations. The way will be opened for the socialist transformation of society.

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