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FRANCE SPAIN EUROPE IN REVOLT



Inside . . . France '68 . . . Nicaragua . . . Economic Strategy . . . China

Militant

International Review

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A new stage in the class struggle in Europe

THE MASS struggles in France and Spain at the end of 1986 and the beginning of 1987 have graphically shown that Europe is entering a new stage of class struggle. In many countries workers are now taking advantage of the current economic "boom" to attempt to regain at least part of the living standards lost during the previous period. At the same time youth are becoming more politicised with struggles over education and job prospects following on from the big anti-nuclear and anti-racism movements of the early 1980s.

While the situation has naturally varied from country to country the general process has been one of the continued breaking up of the old post war 'consensus', a growing polarisation between the classes and the beginning of a radicalisation within the labour movement. While these developments have unfolded in different ways and tempos the fundamental picture has been clear.

However events do not occur in a straight line. The onset of the first post-1945 economic recession to take place simultaneously in all the major

Editorial

capitalist countries in 1973 was marked by a widespread movement of the European working class. Workers strength and confidence after the terrible defeats of the 1920s and 1930s had been completely restored during the long post-Second World War economic upswing. In fact, in one sense, workers in most countries were stronger than ever before. However, as in the period before 1914, while the basic strength of the class had increased as the economy grew and European living standards rose, the absence of Marxist leadership led to a widespread growth in reformist illusions which enormously strengthened the right wing within the workers' organisations.

Effects of 1973 recession

Although the decades before the 1970s had seen the outbreak of big

class struggles in some individual countries (like France, Italy and Greece) these processes became generalised across Western Europe in the 1970s. While Britain saw the mighty industrial battles of 1970-4 which ultimately defeated Heath's Tory government, revolutionary struggles unfolded in Greece, Portugal and Spain. The collapse of the dictatorships in Greece and Portugal during 1974 sparked off enormous movements of the working class. In Spain the early and mid-1970s saw the complete undermining of the Franco regime and the ultimate winning of democratic rights. This meant that for the first time in history the working class enjoyed democratic rights in every capitalist country in Europe.

The 1970s also saw most workers parties increase their electoral support and, in many cases, begin a turn to the left, particularly within the social democratic youth organisations, as the first signs of the upswing's end emerged. In many countries workers parties formed the government, either on their own or as the largest partner in a coalition, for the first time ever or for at least decades. But in every case since

then when the workers parties formed governments they, sooner or later, began to implement counter-reforms, particularly wage controls and cuts in public spending and employment. The carrying out of pro-capitalist policies by the leaders of the labour movement often confused and disorientated the working class for a period. In fact the labour leaders abused workers loyalty to their organisations in order to carry out the capitalists dirty work.

This experience usually resulted in these governments losing the support of the middle class and the more politically backward strata of the working class, leading to election defeats as in Britain in 1979 and France in 1986. Even in countries like Greece and Spain where the workers parties were re-elected back into office this was because of workers loyalty to their organisations and fear of the capitalist parties rather than enthusiasm for the policies of PASOK or PSOE.

The dramatic rise in mass unemployment which the 1979-81 recession brought also had an effect on the labour movement. In many cases this came as a complete surprise to workers who had grown used to full employment during the previous period. Coming on top of the disappointing experience of the failures of the reformist governments elected in the 1970s, and with the defeat of many battles against redundancy, mass unemployment often led to a downturn in the class struggle for a period.

International collapse of 'lefts'

The responsibility for this mainly lay with the leaders of the labour movement who were caught napping by the development of a generalised crisis of capitalism. Not having any understanding of how capitalism functions and not being prepared even to seriously contemplate the overthrow of capitalism the overwhelming majority of labour leaders internationally adopted the role of explaining to the working class that they must tighten their belts and lower their demands in the hope that the 'good old days' will eventually return. What they did not grasp was that the post-war period was an exceptional one as far as capitalism was concerned.

The continuation of mass unemployment during the current boom shows that capitalism is not enjoying a long-term upswing. Now we are in a period of weak booms and deeper slumps.

Even so, despite mass unemployment, large-scale class battles have broken out in the past period. These have shown that the class is prepared



In a magnificent display of discipline and determination student union stewards hold demonstrators together, linked with staves, when a January demonstration in Madrid was attacked by the police.

to struggle when necessary. But they have also proved that in the present period determination and courage are not necessarily enough to lead to victory. The British miners strike amply showed the working class's ability to struggle but its defeat, due to the refusal of the TUC leadership to organise effective solidarity action, showed the vital role leadership plays in any battle.

The combination of the end of the post-war capitalist upswing, the failures of reformist governments and the defeat of some struggles, have produced an international collapse of the old 'left' currents within the workers parties. The pattern which we have seen in Britain of a sharp rightward movement by the 'lefts' who came to prominence during the 1970s has been repeated throughout Europe.

The reason for this is quite simple. All of these 'lefts' rejected the fundamental position of Marxism that capitalism could not be either reformed or gradually changed, that unless a workers party broke the power of the ruling class, monopolies and banks immediately upon coming into office it would inevitably end up either being overthrown (like in Chile) or it would carry out pro-capitalist policies which attack and demoralise its supporters.

The 'lefts' believed that either through controlling or gradually transforming capitalism it would be

possible to move towards socialism. The election of the Socialist and Communist Parties to government in France in 1981 put many of these theories to the test. Despite large-scale nationalisations (though with heavy compensation and no workers' control and management) France remained a capitalist economy and within a year a combination of internal and external pressures produced a sharp right turn by this government. However the conclusions which the overwhelming majority of the 'left' leaders drew from this and other similar experiences was not that the Marxist position was right, but rather that they must water down their policies!

Polarisation

This move to the right was justified by blaming the working class. The ex-'lefts' explained that 'socialism was no longer popular' and that society had 'moved to the right'. Of course the 'socialism' of cut-backs, wage controls and redundancies as practised by the various reformist (or rather ex-reformist) governments was not popular, but neither was it socialism! The defeats of the workers parties lay in the disappointment their rule had produced, not a masochistic enthusiasm for the even harsher policies the capitalist governments would implement!



Students demonstrate in Paris. A general youth radicalisation has developed throughout Europe.

Photo: Dave Sinclair

But far from society moving right there is in all countries a polarisation between the classes taking place. Although this is unfolding at different speeds in each country, the fact that even during the current boom unemployment has not significantly fallen in any European country and that the capitalists have continued attacking living standards and public spending means the gap between the classes will continue to widen.

The capitalist politicians have used the failure of the reformists policies and the current economic boom to launch a propaganda offensive extolling the virtues of capitalism and proclaiming the 'death' of socialism. But events will take them (and the labour leaders) by surprise. There can be no doubt that the next serious recession will lead to a new radicalisation. In fact the bosses' propaganda will rebound on them as capitalist crises leads wider and wider layers to reject capitalism and see socialism as the only hope for the future.

This boom, while allowing some sections of workers to raise their living standards for the first time in years, is not having a uniform effect either within or between countries. As Marxists have previously explained, a recession often has an inhibiting effect on the working class's willingness to struggle. But in a boom workers can feel more confident about pressing home their demands as they see pro-

duction increasing and the workforce stabilising or expanding.

But the fact that the capitalists have kept up their continuing attack on the public sector even during the boom has produced major national strikes in Finland, France, Greece and Sweden during the last year. At the same time throughout Europe, including 'booming' West Germany and Sweden, local authorities are facing growing financial and social problems which could lead to Liverpool style confrontations with central government and/or the banks.

Youth radicalised

There has been a general tendency throughout Europe towards general strikes, whether of public sector workers or the entire class. In the last period such strikes have either taken place or been seriously threatened in Finland, Norway, Sweden, Denmark, Belgium, France, Italy and Greece. In addition, in countries like Spain, regional general strikes have taken place. Significantly some of these strikes have taken place against the policies of reformist governments, a clear sign that the policies of the right wing labour leaders are starting to be seriously challenged from within the working class.

The continuation of mass unemployment has meant that most young people have no secure future whatsoever. This, coupled with the fear of nuclear

weapons, nuclear power and Reagan's massive increase in arms spending, has produced a general youth radicalisation throughout Europe. This has been reflected in the prominence of young workers in all the recent big industrial battles and the rash of school student and student strikes which have swept across Europe in the last two years. In country after country students have taken to the streets to demand better education and secure jobs after finishing their studies.

Last year's sudden upsurge in France took the entire world, apart from the Marxists, by surprise. Only nine months after the victory of the capitalist parties in the National Assembly elections, there was such an enormous shift in opinion that the Chirac government was forced to retreat. The fear of both the bourgeoisie and the labour leaders was that there would be a repeat of the revolutionary general strike and mass factory occupations of 1968. While the government's rapid concessions and the policies of both the student and labour leaders prevented the 1986 movement reaching the level of 1968, these events illustrated both the extreme volatility in society and the willingness of workers and youth to struggle.

Chirac was left isolated by a massive abandonment of the government by the very middle class parents who had been the backbone of his support nine

months earlier. At the same time the month long spontaneous strike of the rank and file railway workers (the majority of whom were not union members) reflected workers' growing militancy and confidence after the students' partial victory. But the trade union leaders, particularly of the Communist Party led CGT, refused to unify the different struggles developing within the public sector into a challenge to the whole of the government's policies.

A key difference between 1968 and last year was the fact that a Socialist, Mitterand, and not De Gaulle, was President. Balancing carefully, Mitterand used his position both to rebuild his personal support, indicating his sympathy for the students and railway workers, and to limit the movement's scope by not openly opposing the Chirac government.

Mitterand's strategy appeared to be to secure re-election in the Presidential election due by mid-1988 and at the same time try to form an alliance between the Socialist Party and one or more of the so-called 'liberal' groupings within the current ruling coalition. In this way some Socialist Party (PS) leaders hoped to return to government and at the same time have an alibi, in the shape of a bloc with some liberals, to excuse their lack of socialist policies. But in February the PS leaders were forced by their rank and file to declare themselves against any coalition with capitalist parties. However, the fact that they now speak of winning a "progressive majority", instead of the "left majority" they previously campaigned for, shows that some PS leaders still hope for a bloc with so-called "progressive" capitalists.

Greece and Spain

There are recent signs that the French Communist Party (PCF) is beginning to increase support again, but many workers are critical of the role the PCF leaders played while they were in the government with the PS between 1981 and 1984. Furthermore the PCF leaders have also moved their immediate demands to the right. But it cannot be excluded that the PCF will be able to rebuild its base, particularly if the PS leaders do move towards a bloc with the liberals.

However the disappointing experience of both the PS and PCF in government is still fresh in many workers minds and while there is undoubted hatred of the Chirac government there is a critical attitude towards what policies a new PS or joint PS/PCF government would carry out. Next time French workers will demand something

radically different from their 1981-6 experience of pro-capitalist policies being implemented by the PS and PCF while in office. Thus even a bloc between the PS and the liberals under a re-elected Mitterand would very quickly come under intense pressure, particularly because workers would see a Mitterand victory as a blow against the capitalists.

Recent developments in Greece and Spain have shown how, especially after re-election or a period of time, the experience of right wing reformist governments radicalises the working class and youth.

In Greece the PASOK government's austerity policies and abandonment of the policy of 'socialisation' led to mounting opposition from the working class, especially after its re-election in June 1985. By October 1985, the PASOK led GSEE (Greek TUC) was openly opposing the government and pressure mounted within PASOK for the implementation of the radical policies upon which the party had been founded in 1974.

The reply of the PASOK leaders was to get the courts to remove left-wing PASOK members and KKE (Communist Party) members from the GSEE leadership and install a minority pro-government one instead. Yet 13 months later this new leadership was forced to help call a one day general strike in January 1987 against the government's policies! Despite the PASOK leadership expelling oppositionists, including trade union leaders, from the party, PASOK's rank and file is increasingly looking leftwards for an alternative.

It is noticeable that in Greece, as in Spain, the Communist Party (KKE) has not significantly gained from the PASOK leadership's rightward turn since first forming the government in 1981. Again and again the mass of workers and youth have looked towards PASOK and sought to struggle to change its policies. Although in the future the KKE could gain significantly at PASOK's expense its present tactics, where it backed candidates of the capitalist New Democracy party against PASOK in the trade unions and abstained in the second round of the local elections, alienate many PASOK supporters.

While in Spain the Communist Party has splintered into five separate groups, the trade union it formed, the Workers Commissions (CCOO), is still a major force, having won a majority of delegates in the large workplaces and nationalised industries during the recent factory elections. Politically however the ruling Socialist Party (PSOE) retained its overall majority,

first won in 1982, in last year's election on the basis of workers loyalty. At the same time the bourgeoisie believed that the PSOE leaders would be best able to continue implementing austerity policies.

As in Greece the government's re-election has opened the way for the Spanish workers, peasants and youth to begin to actively press their demands. The defeat of the capitalist parties in the election has given the workers confidence to put pressure on the government in both countries, a fact which lies behind the attempt of the French Socialist leaders to try to avoid new Assembly elections if Mitterand succeeds in being re-elected.

As in France it has been the movement of the students, though in this case secondary school students, who have provided the first nationwide challenge to the pro-big business policies of the PSOE leaders. However, unlike in France, this movement was not spontaneous. The secondary school Students Union (SE), under the leadership of supporters of the Spanish Marxist paper *Nuevo Claridad*, had been working for some time to build its organisation. The huge demonstration held in Madrid on December 4th had been planned for some time but the response it achieved was the result of both the example of the French movement and the fact that the SE's call struck a real chord among Spanish youth.

Sign of events to come

But there were significant differences between the movements in France and Spain. Because of both the tradition of 1968 and the existence of the Chirac government, the French students very rapidly gained wide support, particularly from the working class. This was the fundamental reason behind Chirac's rapid retreat, a clear indication of the strength of the working class. In Spain however, although the students enjoyed overwhelming support which was even reflected in opinion polls, the working class was slower in coming out in active support of the students.

On the other hand the Spanish students' leaders, unlike their French counterparts, consciously strove from the beginning to gain the active support of the working class and link their struggle with the need to halt the pro-capitalist policies of the PSOE government. Even in France the motion, passed at the students national meeting, calling for workers organisations to be approached with the idea of holding a 24 hour general strike was originally written by supporters of the French

Marxist paper, *L'Avance Socialiste*, at Nanterre University.

As in France the fact that the Spanish students will probably have been seen to win a victory, albeit a partial one, will have tremendous repercussions. It will give encouragement to the working class generally to press home its demands and, as in Greece, this will open up a period of tremendous debate within the workers organisations themselves.

These events of the last few months give an indication of the future in store for the whole of capitalist Europe. Even when the working class is blocked or defeated on one field of struggle, sooner or later it will move onto another.

Thus the defeat of the attempted general strike in Denmark in 1985 has led to a big swing behind the Social Democratic and Socialist People's Parties, which seem likely to win the coming elections there. In West Germany the recent defeat of the Social Democratic Party will probably result both in industrial battles, as the trade unions renew their battle for the 35 hour week, and in debate within the workers organisations on the lessons of the election defeat. Already immediately after the election defeat large sections of the SPD were demanding that left-winger Oskar Lafontaine become party leader.

Now throughout Europe increasing numbers of workers are beginning to absorb the lessons of their recent experiences. The coming recession, while not necessarily leading to immediate class battles, will prepare the way, as in the mid-1970s, for the workers parties to be pushed into government. However the circumstances under which they enter office will be markedly different than before.

The combination of a severe economic recession and previous disappointing experiences with reformist governments will mean that these new governments will be under increasing pressure to carry out policies in the interests of the working class. While they may enjoy a "honeymoon" during which some limited reforms may be implemented the condition of capitalism and the right-wing reformists refusal to carry out socialist measures will, sooner or later, result in a shift to the left within the workers organisations.

It will be under these conditions that sharp discussions and debates will open up within the labour movement. As has already been seen to a limited extent in Greece the workers organisations will either as a whole move towards the left or will see the development of new left wings. This process

will effect both the trade unions and the workers parties. Unlike the left currents which developed within many social democratic parties in the 1970s these new tendencies will tend to assume a mass proletarian character.

New conditions will face workers parties in office

These new developments could well push some Labour leaders leftwards and radicalise some of the former left leaders who have recently moved to the right. However in the circumstances of sharper capitalist crisis and harsher class battles all leaders and tendencies within the labour movement will be put to the test. It is in these conditions that the workers organisations will begin to be transformed and retransformed as the

class seeks a way out of the capitalist crisis.

What is clear is that all governments, whether composed of capitalist or reformist workers parties, will be faced with an increasingly active response by the working class to the capitalist crisis. But we will not see either a continuous economic recession or an unending series of struggles. In all countries there will be victories and defeats for the working class, periods of intense activity alternating with lulls. Yet there is no doubt that in this situation the experience of capitalist crisis and of struggle will result in enormous opportunities to win mass support for the ideas of genuine Marxism within the working class and youth.

13th February 1987

History of Bolshevism

Unfortunately the Editors have been obliged to delay publication of Part Six of the series of articles by Alan Woods on the history of Bolshevism. We very much apologise for this and ensure our readers that the series will be resumed in issue Number 35, the Summer edition of the *Militant International Review*.

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China: Student protests shake bureaucracy

During the 1980s and 1990s, the Chinese government has been accused of repression. In at least ten Chinese cities during the months of December and January, in some areas they demanded freedom of the press and free elections and in an as yet confused way called into question the existing forms of bureaucratic rule. In Shanghai, the students are reported to have been joined by workers protesting against inflation.

The protests have opened up splits in the ruling bureaucracy. "Communist" Party General Secretary Hu Yaobang, Deng Xiaoping's side-kick for forty years, has "made a self-criticism" and resigned.

The student protests were partly over living conditions and the method of allocation of jobs, but quickly became dominated by demands for "democracy and freedom". Unfortunately for the bureaucracy, their policy of an "open-door" to the capitalist world let in news of demonstrations in Europe and the democratic rights won by workers in the West, encouraging the students to take to the streets.

Disputes

As *Militant* and the *Militant International Review* have explained, the planned economy has meant huge progress, but the control of society by a bureaucratic caste, uncontrolled by the working class, distorts and clogs up production. The bureaucracy responds to these problems by sharp swings from one policy to another. Deng Xiaoping championed economic modernisation, imported technology and incentives to managers and entrepreneurs to counter the effects of the bureaucratic centralisation of the previous period (see Lynn Walsh's articles in *Militant* numbers 819 and 820 for a detailed explanation of the meaning of Deng's reforms).

But the "liberalisers" had no intention either of going all the way back to private ownership of the economy, or of introducing anything so dangerous as democratic rights for the masses, which are incompatible with the bureaucracy's control of society. Rong Yiren, the richest of the fat cats who have profited from economic reform, expressed horror at such an idea in a magazine interview in which he declared the students' "naive ambitions" showed their lack of understanding of China's past. "We can learn something from capitalist countries, but that doesn't mean that everything is good in those countries" he said.



Deng Xiaoping

All the privileged layers are united in their opposition to the control of society by the masses. But different sections of the state machine have more or less influence according to whether a policy of centralisation or decentralisation is carried out. Thus there are continual disputes within the bureaucracy and its political expression, the 'Communist' Party.

The different wings have used past protest movements, such as the Cultural Revolution and The Hundred Flowers Movement, to dislodge their rivals, taking care to clamp down on them once this narrow objective has been achieved. Initially, the latest protests seem to have been encouraged by Hu Yaobang's supporters. This section of the party leadership had noticed trouble brewing in 1985 when students demonstrated against a visit by the Japanese prime minister, reflecting discontent at the "second Japanese invasion" of consumer goods which are often substandard or even dangerous. Illegal posters are reported to have demanded "remove corrupt and greedy officials", "boycott foreign goods" and "oppose those who betray their country to enrich themselves". They instructed the 200,000 full timers of the "Communist" Youth League to "go among young people to address their concerns" so that they could be informed of the moods of the youth.

Towards the end of last year the demonstrations started in Hefei, ap-

parently encouraged by Hu and some intellectuals who wished to extend freedom of expression for the sake of scientific and technological advance. Some may have flirted with the idea of China becoming a liberal capitalist "mixed" economy, but for the most part they had no clear aims beyond that of intellectual freedom. However, the movement spread to Beijing and other cities. The students refused to obey the authorities' dictates and some began to grope towards a programme of political revolution to overthrow the bureaucracy. The government leaders took fright at the prospect of losing control of the streets and began to denounce "anti-socialist elements" they said were behind the protests. While not confronting the students head on, they have stamped on those in their own ranks whose "liberal" tendencies encouraged the demonstrations, hence Hu's resignation and the expulsion from the party of, Professor Fang Lizhi, the Vice-President of Hefei University, and other intellectuals who have compared China unfavourably to the capitalist world. Hard-liners, who favoured *economic* reform, have been able to crush the movement towards democracy because all the bureaucracy fear the spread of protest action to the working class.

Workers strike

The following article shows some of the social effects of the economic reforms and the rule of the bureaucracy. Deng's modernisation programme was generally accepted by the population, but while workers accept the need to expand production, they are repelled by many of the actual effects of the programme. The scope for corruption among officials has expanded, prices have risen and bonuses have shrunk in the factories, which now have to turn a profit as autonomous units. Twenty thousand tractor workers and bus workers in Beijing have taken industrial action on this question. The bureaucracy has to avoid the spread of protests by workers at all costs. At this stage they will probably be able to do so. Sooner or later they will make another sharp change in policy and reassert centralised control, even though this will create as many problems as the current policy. The recent movement has indicated that the needs of the Chinese people will conflict more and more with the rule of the bureaucratic clique and will force students, peasants and workers to take up the programme of political revolution and workers' democracy.

'Liberalisation' —preparing the ground for new explosions

THE BRITISH capitalist press has enthusiastically reported the "liberalisation" of China in recent years. There has been a sharp turn from an economy run with extreme bureaucratic centralism to a limited reintroduction of capitalist relations. The policy of "autarchy"—developing the economy in isolation from the rest of the World—has been modified by offering an "open door" to the capitalist West. This meets with the British bosses' approval as they join the scramble to pick up extra trade.

An article in the magazine *Granta* by Orville Schell—a frequent visitor to China—shows some of the social effects of the "new line". It illustrates an increasingly clear differentiation between a layer of bureaucrats and the mass of the population in every aspect of daily life and the consequent growing discontent amongst layers of the population.

This is not the indignant protest of an opponent of "liberalisation". On previous visits to China the author seems to have pined for the picturesque street-traders that proliferate in the squalor of other Eastern cities. He notes with interest the reappearance of the pedi-cab, a vehicle which presents us with the image of one human being straining on a bicycle to haul another human being around. "Sensitivity to the socialist niceties" was responsible for the disappearance of this slightly updated rickshaw in the early 'seventies, he tells us.

That such public humiliations vanished was really a symptom of the tremendous gains of the Chinese Revolution. Improved health care has meant that the average life-span is now 70 years old or more while in Shan-Tung province before the revolution it was 40! Infant mortality is down to 2 per cent. 95 per cent of the population are literate, compared to 20 per cent before 1949. In the 1930's famine killed over a million people in one province alone; in 1984 China produced its first ever grain surplus—a harvest nearly four times as big as in 1949. Starting from virtually nothing, industry too has taken great strides forward. All this is entirely because of the abolition of feudal relations on the land and capitalist ownership of industry.

The regime has tremendous support because of this enormous progress. Speculation as to whether China is "going back to capitalism" is ludicrous. The counter-revolution that would be



By Tony Cross

necessary to pull out the roots of the planned economy would be absolutely impossible. But the progress of the Chinese Revolution is slowed down by the rule of the bureaucracy that has controlled it from the start.

Mao Zedong and the leadership of the Chinese Communist Party marched into power at the head of a peasant army, acting independently of the working class. The state machine was thus in the hands of the Red Army leadership alone, unchecked by workers' democracy. Without the involvement of the masses in running the state or the economy, the bureaucracy zig-zags between policies: centralisation and decentralisation; industrialisation and going back to the land; national isolation and an "open-door" to the multinationals. Since the '70's the violent disruption of the "Cultural Revolution" has been countered by Deng Xiao-Ping's abrupt turn to the right.

Criminals prosper

In the press and Party Conferences the bureaucracy no longer expresses itself in the pseudo-Marxist dogma behind which Mao and the "Gang of Four" concealed their privileges. The Communist Party has launched the slogans "Get rich by working" and "To get rich is glorious" to encourage limited private enterprise in the town and country. A section of the bureaucracy itself has taken these instructions all too seriously. The Party Secretary of Hai Feng County was found to have defrauded the state of 70,000 yuan (£23,000) and taken bribes from people who wanted to leave the country. A national audit has revealed that the Government lost \$1.19bn because of irregularities in state departments and enterprises including "excessive operating costs, unreported or concealed profits, fake losses, tax evasions and issuing of goods to employees". Some of the youth have gone a little further. Gangs have appeared who practise murder, robbery, ransacking houses and the kidnapping of

young women to sell them to peasants who can't find wives.

Their members are often ex-inmates of labour camps. But remarkably **they also come from the off-spring of the bureaucracy**, obviously demoralised by their parents' pilfering of the state. In 1983, eighty two sons and grandsons of army officers were accused of forming a ring of thieves responsible for the gang-rape of thirty women. In 1984, gang leaders known as the "Five Fingers" and the "Two Wolves" were arrested for 300 crimes of rape and violence, along with their gangs who were composed mainly of the sons of "high ranking cadres". The Chinese "school of Communism" seems to have a special course of bestiality!

Schell remarks that the "reformed economic system" has allowed new scope for crime: "Unemployment had left millions of youth loose on the streets of Chinese cities. In the countryside people were no longer tied to their registered address... by the need for government coupons for grain, oil and cotton products. People could buy what they needed wherever they wanted, and were thus freed from the tightly-organised system that once held them firmly in place. And the new private sector of the economy had opened a Netherworld for criminals in China. Here in the middle of organised Chinese society, criminals were able to survive and carry on the pursuit of individual wealth, which the Chinese leadership itself now glorified."

Deng's "reforms" were themselves a reaction to the excesses of the "Cultural Revolution" which, in 1974-76 alone, were estimated to have cost 100,000m yuan (£33,000m) in industrial output, 28m tonnes of steel and 40,000m yuan in state revenue. Mao had attempted to deter the bureaucracy from overindulging in the fruits of the planned economy at the expense of industry and agriculture. He leaned on sections of the masses to "discipline" them. Of course, Mao's aim was to re-assert his grip over the bureaucracy, not to introduce real workers' democracy and workers' control and management of the economy. The "Cultural revolution" did not destroy the bureaucracy, and so was one-sided in its

results. China was cut off from foreign-produced modern technology, and technicians, managers etc were demoralised.

However, to develop a modern economy, without the conscious participation of the working class and in the absence of revolution in the metropolitan countries, the bureaucracy was obliged to turn to the world capitalist market, to bribe the international capitalists with lucrative contracts to import modern technology. Since their caste interests prevented them allowing worker's control and management to check and modify central planning, they had to use small-scale capitalist incentives to lubricate the wheels. Privilege was reinstated. But some people will go too far. In order to protect its "legitimate" privileges, the bureaucracy is forced to take drastic action against the most unrestrained criminals.

The barbarism of pre-revolutionary China is reborn, not only in the horrifying crimes outlined earlier, but also in the methods of punishment. Public executions have been revived and as an onlooker at one of these tells Schell, "there is an old custom here in China, and they've revived it again. After a criminal has been shot, his family is sent a bill for the bullet. It's a reminder that a criminal not only brings punishment on himself but shame on the whole family in which he was raised."

Infanticide returns

The most startling feature of Schell's report is the reversal of the improvements in the conditions of women, whose status had been little better than that of livestock before the revolution. In the old-style Chinese family, grand-parents arranged marriages, divorce was forbidden, widows could not remarry and all income went to the head of the family. A child-bride could be any age, for example the woman General Li-Chen had been given in marriage by her family at the age of six.

One of the revolution's first acts was to abolish child marriage, polygamy and concubinage. To relieve women from the drudgery of housework a 1958 'Communist' Party resolution advocated the building of housing estates including "residential quarters, community dining rooms, nurseries, kindergartens, 'homes of respect' for the aged, factories, threshing floors, livestock sheds, shops, post and telecommunications offices, warehouses, schools, hospitals, clubs, cinemas, sportsgrounds, baths and public lavatories..." Unfortunately the construction of these material necessities for the emancipation of women is held back by the still backward nature of the economy.

Of course, the bureaucrats themselves don't have to wait. For 2,500 customers

in Beijing the problem is solved by the Housework Service Agency, which finds cooks, maids and nannies for its clients. There are an estimated 30,000 live-in maids in the city, mainly brought in from rural areas rather like the British ruling classes domestic servants are imported from countries like the Philippines. The Shanghai-published *Economic Daily* explains that "although the employment of household help was criticised as gentrified, bourgeois and exploitative during the Cultural Revolution, in reality such employment cannot be abolished." Maids are "an inevitable phenomenon of today's urban social life" because "people" want "less housework and more time for work, study, and recreation." These "Communists" not only employ servants but apparently don't even regard them as "people"!

But for the mass of the population, the fruits of "liberalisation" are not so sweet. In the countryside the horrifying practice of infanticide has reappeared. The breaking up of the collective farms has encouraged the peasants to have larger families—against the bureaucracy's wishes since the population is expanding faster than the economy. But more children means more labour on the family's land. However, "peasants are convinced that a female child will not be as much help in the fields as a male child and that when a daughter comes of age she will marry and go to live in the household of her husband." So a baby girl is a burden on the family.

The *People's Daily* reports that "the drowning and killing of girl infants and the maltreatment of mothers of infant girls... have become a grave social problem. These phenomena are found not only in deserted mountain villages but also in cities; not only in the families of ordinary workers and peasants but also in the families of Party members and cadres." A letter from fifteen peasant women, one of whom has had nine daughters, says: "No one wants to be a mother of an excessive number of children yet not one of the fifteen of us is ready to give up. Here where we live, a mother without a son suffers so much discrimination and cruelty that we feel it is worth risking our very lives to escape it."

The bureaucracy's *China Youth News* seems particularly worried that "... in 20 years time a serious social problem may arise; namely, that a large number of men will not be able to find wives." Anxious to prevent such a development, and also perhaps the small social problem of baby girls being dumped on the roadside or drowned, the bureaucracy has launched a propaganda campaign against infanticide. But it cannot cut across the material conditions which cause these horrors.

In fact, many women turn for solutions not to the 'Communist' Party but to the temples. They sacrifice to gods and spirits and seek the help of priests, sorcerers, wizards, witches and mystics. Schell comments that this is "one of the most startling indicators of regression of mores in rural China." During the Cultural Revolution "most peasants would not have dared publicly to seek help or solace in such 'feudal' practices."

Only a policy of mechanising agriculture through voluntary collectivisation and planning its links with industry, along with guaranteed social services for the old, will relieve these women from the unbearable pressure to produce sons. That they seek solace in the superstitions of feudal times is a crushing condemnation of bureaucratic rule.

Until recently, illusions in the 'revolutionary purity' of the Chinese regime were widespread in and around the European labour movement. The privileges of the bureaucracy were not readily apparent, because China had inherited such a low level of production from the era before the revolution. Only the Marxist tendency, represented by the *Militant* and the *MIR*, warned in advance that as the economy developed, so would the gap between the living standards of the bureaucracy and the masses.

Discontent grows

This process is only beginning today. The economy will continue to develop, but in a distorted manner because socialism is impossible in one country. This is the reason for the growing contradictions between the needs of the masses and the bureaucratically controlled state. An isolated economy, especially a backward one, cannot generate enough wealth to eliminate want. So the bureaucracy makes sure it satisfies its own material requirements at the expense of the workers and peasants.

The more the economy expands, the more the bureaucracy pilfers and so reveals itself as a caste whose interests are opposed to those of the mass of the population. At a later stage the bureaucracy will be forced to make another sharp switch in policy and reverse many of the concessions made to private ownership in recent years. But the gap between the living standards of the masses and those of the bureaucracy will grow wider and wider. The Chinese working class will grow as the Russian working class has to become the largest and most powerful force in the country. The world revolution will knock on the door of the isolated Chinese revolution. All of these processes will prepare the way for a further political revolution that will sweep away the bureaucracy.

All power to the French workers

IN THIS edition of the *Militant International Review* we are reprinting two articles on the events of May 1968. Undoubtedly the movements in France and Spain at the end of last year raised for the ruling class and their shadows in the labour movement the spectre of France '68—not least for the Spanish Minister of Education, Maravall, who, a student demonstrator in Paris then, by a rich irony of history, now found himself confronted with a two million strong movement of school students!

In the event, the rapid retreat of the Chirac government, and the policies of the student and labour leaders, prevented the movement in France developing along the lines of 1968: it is the fusion of the students' action with a massive explo-

sion of the working class. Nonetheless, the extreme volatility and the undercurrent of bitter discontent that the events revealed, shows that such a development—although it may not necessarily take place as a result of the present movement in France and Spain—was inherent in the situation, and a portent of events that lie ahead.

It is for this reason—to forearm our readers for the future by a study of the lessons of the past—that we are reprinting the two articles below, the first of which, *All power to the French workers*, was initially carried in the June 1968 edition, number 38, of *Militant*, then a four page monthly. The second article was first printed in *Militant*, number 39, July 1968.

By Peter Taaffe

Paris was for the students.

The industrial workers—and particularly the young ones—were emboldened by the success: "The students came first. They acted as a spark. They caused the government to yield...they gave us the feeling that we could go ahead" said one of them to a *Times* reporter.

Immediately the workers outpaced their union leaders and refused to restrict their struggle to a harmless one-day strike. They proved that they would tolerate their grievances no longer.

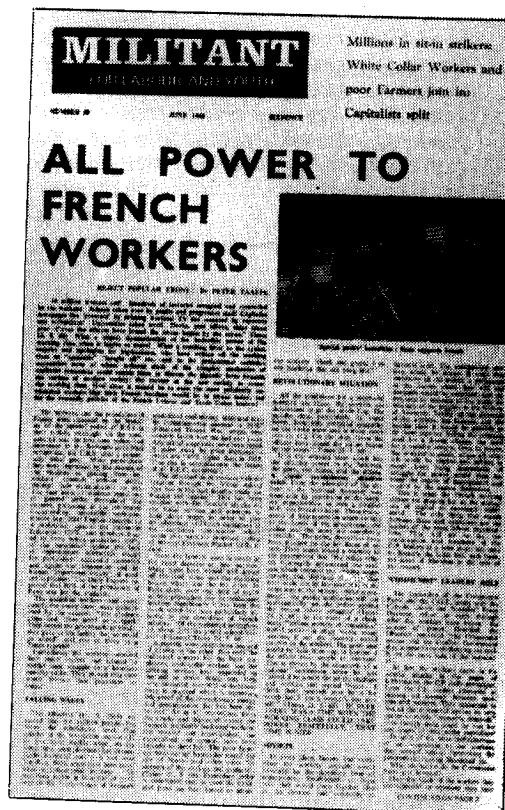
Falling Wages

The *Observer* (11.5.1968) revealed that 5.6 million people live below the subsistence level. One quarter of the population receive £12 or less basic weekly wage. At the same time, unemployment has dramatically increased until it is now over half a million. Some areas have been faced with a catastrophic increase... "in the Paris region it is a rise of 51 per cent and in the north—home of France's traditional coal-mining, steel and textile industries—the increase is 59 per cent" *Financial Times*. Real wages have actually fallen over the last two years. Any actual wage rises have been rapidly eaten away by price increases—prices are "45 per cent higher than in 1958. This rise is conspicuously the fastest of all EEC countries."

The introduction of massive indirect taxation through the Value Added Tax has in the past months made the burden yet heavier. This has been coupled with De Gaulle's attacks on the social services and attempts to hold down wages in order to give an advantage to French capitalism in the cut-throat competition which would exist with the proposed ending of internal Common Market tariffs in July.

ONE MILLION workers out! Hundreds of factories occupied and controlled by the workers! Schools taken over by pupils and progressive staff! Capitalist newspaper lies 'censored' by printing workers! TV lies censored by reporters and technicians! Universities taken over! Docks, post offices, ships taken over—what a mighty demonstration of the invincible power of the working class when it begins to move! What a crushing blow to the cynics, sceptics and apologists for big-business, who have written off the working class as "apathetic", "bought off" etc—and to the professional orthodox economists none of whose arduous study of the complex mechanics of capitalist economics could enable them to discern the gigantic force beneath the surface of modern society: the creator of the new society to come: the working class. How clear it should be to even the most politically uneducated workers that their French brothers would be in power today, but for the cowardly policies of the French Labour and Trade Union leaders!

The workers and the population of France were incensed by the brutality of the special police (CRS) in their sadistic onslaught on the students (it was the first time police had intervened in the Sorbonne since Nazi occupation, the CRS used a potentially lethal gas). More particularly they were impressed by the success of the students in gaining their immediate demands without delay, through their determination to act. The vast mass of students came out in a general strike throughout the country, protesting at the intolerable overcrowding, impossible work-conditions (e.g. 2000 English students to 4 professors), against the enormous failure-rate (20%) and the numbers forced to leave before graduation (50% of the remainder), against the lack of opportunities afterwards except for particularly successful careerists and against the degenerate and inhuman 'impersonal society' of modern capitalism. The *Daily Express* reported that 80% of the population of



The front page of the *Militant* June 1968. *Militant* then was just a four page monthly.

Even the farmers were in revolt at the rapid decrease in their incomes. Many have been ruined and driven off the land, some into the decaying houses which scar the big cities. In Paris alone, over one third of the 9 million population live in inadequate housing. Significantly it has been the youth which has been particularly affected by the slow-down of French industry: "Of the registered unemployed, about 23 per cent are young school-leavers" *Financial Times* 20.5.68

A gigantic wave swept from one end of France to the other. Not only the industrial workers but the bank employees, white-collar workers have responded to the call to strike. While only 10 per cent were unionised, over 50 per cent of the labour force is in-

volved which is incontestable proof of the revolutionary energy and determination that has been unleashed. As in all revolutions, from the cracks and depths of society the formerly politically backward workers, the sweated and impoverished, the demoralised and cynical, have been brought to their feet. The poor farmers have set up barricades around the city of Nantes and other cities "in support of the workers and students". *Times* 21.5.68. Exemplary order is maintained and, as even the capitalist press has been forced to admit, the workers "check and grease factory machines that are lying idle".

All the conditions for a successful overturn are there; the workers are determined to go the whole hog. The middle class, particularly its lower layers, look with profound sympathy on the strike wave and in many cases join in. On the ships "even the officers have joined the sit-ins begun by the crews." *Times* 23.5.68.

Soviets

It is the working class which has the effective power in the factories, the ports, the mines and the streets. **A classic revolutionary situation exists.** Even the televising of the debate in the National Assembly was done only by the permission of the workers' organisations, as a Gaullist MP was forced to admit. Those instruments of state repression which are still in the hands of the government, the police and the army, are completely unreliable. The police themselves have been touched by the hot flares of revolt. Their union issued a warning to the government that "the police officers thoroughly appreciated the reasons which inspired the striking wage earners and deplored the fact that they could not by law take part in the same way in the present labour movement... the public authorities will not systematically set the police against the present labour struggles" (*Times* 24.5.68). In the event of a clash, many "serious matters of conscience" would arise, in other words, many sections, if not the majority, would go over to the workers. The army also would be split from top to bottom if the officer caste sought to intervene. This is shown by the comments of a national serviceman when he was "asked if he would fire on the students and workers and replied 'Never. I think their methods may be a bit rough but I am a worker's son myself'" (*Times* 21.5.68) **If ever there was a time when the working class could take power peacefully, that time is now.**

In every shop, factory and workplace the workers' councils would naturally be the dominant form of organisation. Established at local level they would come together also in the districts and eventually at national level. The organised sections would be drawn in until they embraced all the toilers; a parliament of the masses where their will and demands would be exercised; real democracy as opposed to the sham democracy of the jugglers in the National Assembly. Taking up the demands of the workers, the farmers, and the middle class it would be possible to tie them together, feeling the common need for a drastic change, the need for a socialist society. Once in power, the workers' councils, where all officials would be elected and subject to recall, from being instruments of struggle for power would then become the organs of management and control by the masses themselves.

This is what the French working classes are groping for, as the strategists of capital so cunningly understand. The only thing that stands between them and extinction are the leaders of the mass organisations. They will try to use the prevarication and treachery of the CP leaders at a later stage, not only to discredit the latter but, with them, the ideas of Marxism in the eyes of the masses.

The leadership of the Communist Party and the CGT, along with the Catholic unions and the "socialist" Force Ouvrière, refuse to carry through what the workers have begun: the seizure of power. Gratified, the *Observer* remarked "the Communist unions and the Gaullist Government they appear to be challenging are really on the same side of the barricades..."

At first the students came in for vicious attacks in the pages of *L'Humanité*, the CP daily newspaper. Later the CP leaders attempted to prevent all contact between students and workers. They attempted to restrict the movement against its very nature to purely "economic demands"—as though these could be met for any length of time under capitalism!

In spite of the utter ineffectualness of any opposition to the workers, they warned against "provoking the government", causing bloodshed etc.

What alternative do the Communist Party put forward?

Over the heads of the workers they are supposed to represent they have agreed, in private negotiations with big business, to send back the workers they never called out in the first place on certain compromise terms: terms which cannot be maintained under capitalism without causing inflation,

crisis and (particularly in view of the rising working population) unemployment.

The "Communist" leaders put forward the idea of a Popular Front government.

Far from being, as the CP leaders claim, an "alliance with the middle class" it is in reality a bloc against them. By linking up with the leaders of the CFDT it is forming in reality a bloc with the political exploiters of the middle class who habitually sell out the interests of the small farmer, the shopkeeper, etc, to those of big capital. Only in action can these intermediate layers of society be torn away from allegiance to their traditional parties.

It is not in a Popular Front but in a United Front of struggle for power that these workers who retain allegiance to the other parties would be affected. If they agreed to a common struggle against capitalism, all the better; the Marxists would be able, in action, to demonstrate the superiority of their programme and methods.

Road to world socialism

Meanwhile the Popular Front will mean something different to the bosses: They will use the time to prepare the forces of reaction: the disillusioned poor farmers, students and middle class who will suffer from the inevitable devastating inflation and run-down in the economy. These sections will come to the conclusion that the working class has let them down and they will rally to any pseudo-radical force that seems to offer actions and an actual alternative. This is the basis of ultra-reaction. They are only able to do this because of the pusillanimity of the official labour leaders.

For the time being, they are prepared to eat into the enormous \$6,000 million reserves they have piled up over the last ten years. Not the least of the effects of such a deal will be the undermining of the competitive position of French capitalism in the world market. What a crushing indictment of the anarchy of capitalism that it can be "competitive", ie continue to accumulate profits for the bosses, only so long as the working class are prepared to exist on the paltry amounts described above! What the bosses will be forced to give with the left hand—and they will have to do this or face the possibility of explosions which, despite the CPs role, could end their days—they will attempt to take back with the right hand tomorrow. Resulting inflation will be used in order to inflame the middle classes against the 'excesses' of the workers.

Vague promises of "participation"

Chronology of the main events, May 1968

THURSDAY 2nd MAY: Cohn-Bendit and five other students appear in court. Nanterre University closed in protest. French Communist Party (PCF) denounces students.

FRIDAY 3rd MAY: Police attack peaceful demonstration at Sorbonne, 596 arrested. University Teachers Union (the SNE.SUP) calls a strike.

SUNDAY 5th May: University strike spreads. Seven students are fined and imprisoned. Demonstrations in Paris are banned.

MONDAY 6th MAY: The first University occupations start. Sixty thousand demonstrators are attacked by the CRS riot police, 739 are hospitalised. The first barricades since 1944 are set up.

THURSDAY 7th MAY: Young workers join the demonstrations. Strike at Sud Aviation against redundancies. Post Office workers strike for higher wages. Students appeal for support from the factories.

FRIDAY 10th MAY: Latin Quarter occupied and barricaded. CRS sent in with tear gas at 2.15am.

SATURDAY 11th MAY: The Communist led trade union federation, the CGT, together with the ex-Catholic trade unions, the CFDT, the Teachers Federation and the Left par-

ties call a 24 hour general strike for Monday.

MONDAY 13th MAY: A 24 hour general strike with mass demonstrations of 50,000 in Marseilles, 40,000 in Toulouse and 1,000,000 in Paris.

TUESDAY 14th MAY: Workers occupy Sud Aviation, Nantes, locking the director in his office and appeal for solidarity. De Gaulle leaves for state visit to Rumania.

WEDNESDAY 15th MAY: With no official support strikes and occupations spread to Renault, the shipyards, the pits etc.

FRIDAY 17th MAY: Strikes spread. Peasant organisations call a demonstration for the 24th May. Police trade union reported to be in a "dangerous situation." A students, workers and peasants council governs the Loire Atlantique area around Nantes.

SATURDAY 18th MAY: De Gaulle returns early from Rumania. Reactionary Committees for the Defence of the Republic (CDR's) formed, but fascist demonstration only attracts 2,000. Radio and TV (ORTF) news under journalists control.

SUNDAY 19th MAY: Two million now on strike including banks, all transport, nationalised industries, and the metal industry.

MONDAY 20th MAY: Six million on strike

including Michelin, Peugeot, Citroen, Department stores, all ports and mines.

TUESDAY 21st MAY: Eight million on strike, over half of the French labour force, including nuclear power workers.

FRIDAY 24th MAY: Ten million on strike.

SATURDAY 25th MAY: Talks begin at Rue de Grenelle between the government, employers and the trade union leaders.

MONDAY 27th MAY: Workers mass meetings reject offers.

WEDNESDAY 29th MAY: CGT demonstration, 500,000 strong. De Gaulle leaves Paris saying "The game is up."

THURSDAY 30th MAY: De Gaulle returns having been assured of support from General Massu, commander of 70,000 French troops based in Germany. Dissolves National Assembly, announces new elections and launches smear campaign against "threat of totalitarian dictatorship". Tank and troop movements begin around Paris and right wing demonstration attracts one million.

FRIDAY 31st MAY: Negotiations resumed everywhere and, not without victimisation etc, a gradual return to work begins, encouraged by the PCF.

will not, as all the capitalist commentators agree, satisfy the French workers. One thing is certain: the Gaullist "invincible" regime is finished. Whenever its demise comes, within weeks or months, its position has been irretrievably damaged. The French workers will not only have succeeded in bringing about its downfall, but also in beginning to undermine all the honeycombed theories of "social peace" which have proliferated in the Western Labour Movement in the last twenty years.

Not by accident did the *Times* mournfully comment: "When Louis Philippe was driven from his throne in 1848 after a few brisk days of rioting in Paris and took refuge in London, there were revolutions all over Europe. Italy, West Germany, Belgium and Spain are in trouble enough without the Mother of Revolutions once again setting a bad example." 22.5.68. How well do the ideologues of capitalism, with devastating realism, understand the threat that faces them! And how timid and treacherous do the labour leaders' vague and pious hopes sound in comparison! The diseased state of British capitalism too is preparing an explosion. The traditional parties in all the countries of Europe will be shaken from top to bottom.

Even if the CP manages to sell the deal with De Gaulle to its own rank and

file, this will not be without internal rumblings. No longer do the CP leaders exercise the mesmeric effect or hold the fanatical devotion of the rank and file as in the 1930s. Already this is reflected in the resignation from the CGT of one of its leaders, a prominent CP member, because he considers that the CGT is "not taking full advantage of the situation to overthrow the Gaullist regime." In the event of a Popular Front the CP will precipitate a massive movement of opposition

which could end in a split with the majority going over to the genuine programme of Marxism. The enormous sense of power, the gigantic steps forward in understanding, the combativity and ability to fight of many workers who have viewed politics as the preserve of lawyers and doctors in the past, will still be there. The French workers have unleashed a force that will yet end the rule of rent, interest and profit in Europe and throughout the world.

The French revolution begins

By Ted Grant

THE ELECTION results in France provide a devastating criticism of the policy of the Communist and Socialist parties during what the capitalist press has termed the 'May Revolution'. Lenin spoke and wrote of decades of development leading to a revolutionary crisis during which the fate of the people could be decided during a few days. Such was the crisis in May. *The Times* wrote that during that period "All the physical levers of power were in the hands of the Communist Party." A general strike by its very nature poses the problem of power. This general strike began spontaneously, involving ever greater layers of the exploited, not

only the industrial workers but the white collar workers as well. Peasants were affected and the police at that stage could not be relied upon. The army, according to reports, was also affected. Power could have been taken peacefully and a workers' democracy established. But the Communist Party and the Socialist Party, which had not initiated the movement but were as terrified as the government, stood in the way. The capitalist press greeted the role of the Communist Party with relief. *The Economist* of 22 June commented:

"They (the CP) acted like Fabians not like revolutionaries. And ever since, they have emphasised that their party is one of law and order. They kept silent when the police occupied the Sorbonne. They dissociated themselves publicly from 'rabble-rousers and ultra-left provocateurs' and acquiesced in the government's decision to ban all the small left-wing revolutionary movements."

"The middle class must not be frightened!" Thus in the election campaign, instead of boldly proclaiming the need for a change in society and campaigning against the banks, monopolies and trusts—while also agitating for the demands of the peasants, the small businessmen, the shopkeepers and showing them that their interests were linked with those of the working class and against monopoly capital—they tried to vie with the Gaullists as the Party, as Waldeck Rochet had declared, "the party of law and order". Their election posters even proclaimed: "Against disorders and against anarchy—Vote Communist." This 'leader' even shamelessly declared that the CP had displayed a sense of responsibility in the crisis and only wanted a coalition government.

On this plane they could not hope to compete with the Gaullists—as de Gaulle cynically remarked, "the party of the funk vote". The Gaullists raised the spectre of a Stalinist France with a totalitarian regime, in which all the liberties of the people would be snuffed out as in the countries of Eastern Europe and China. Thus the middle class were stampeded, and even some sections of the working class were affected.

June '68 election results

The Gaullists obtained 9,663,605 votes in comparison with 8,448,982 votes in 1967. Their Independent allies got 917,539 compared with 821,097 votes. The Communist Party received 4,435,357 this time in comparison with 5,039,032 last time. **This represents a loss of 604,675 votes.** The so-called Left Federation, composed principally of the Socialist Party, retained 3,654,003 in comparison with 4,224,110 in 1967, a loss of 570,107 votes. The PSU, Socialist Unity Party, which stood to the left of the Communist Party succeeded in increasing its vote to 874,212 in comparison with 495,412, a gain of 378,800 votes. The capitalist Centre Democrats had 2,290,165 in comparison with 2,839,998, a loss of 539,833 votes.

The *Morning Star* and the French Communist Party find consolation in the fact that they "only" lost 600,000

votes out of the million gained at the last election (*Morning Star* 25 June 1968). But they forget to add that in the early post-war period, with a smaller electorate the vote for the Communist Party and the Socialists was higher. In the first post-war elections, together they obtained 51 per cent of the votes, higher than the Labour government of 1945 which received 48 per cent of the vote. In conditions such as these, with clear and honest slogans, with an explanation to the people of the crisis facing French capitalism, of the inevitable ruination of the middle class and small businessmen, their vote would have been much higher. Had they acted with the revolutionary tide, power on a socialist programme would have won the overwhelming majority of the French people. It would have altered the whole balance of forces between the capitalists and workers throughout Western Europe, and even the world.

The cowardly leaders betrayed the working class and the French people. De Gaulle put forward a muddled demagogue "against capitalism and totalitarian Communism." The Gaullists promised "participation" (whatever that is supposed to mean) to the workers and "reforms of education and the state." It was on this basis that the middle class and large sections of the peasantry were panicked into voting for "order". The policy of the workers' parties was a classic one of "How not to win the middle class."

What now? Every serious capitalist, commentator regards the situation in France with dread. The workers, against the wishes of their "leaders", have demonstrated and realised their own power in the spontaneous strike struggles. The French working class have a great revolutionary tradition. They have made important gains in wages and conditions. But these will be filched away by rising prices, by inflation, increases in the cost of living and the provocations of the capitalists.

The consequence will be a new outburst of anger during the autumn and winter. *The Economist*, not given to making the flesh of its capitalist backers creep, declares: "Election results provide a more or less accurate picture of political preferences in a country at a given moment. This time the picture will be more than usually distorted because France has not recovered its composure. The question is how far the voters will be swayed by fear when they go to the polls on Sunday, and when they return there on 30 June to complete the job. Or rather to complete the election. **For the election is not the end of the affair.**"

Big business has financed "Gaullist

commandos" as the shock troops of French reaction. The day after the election a railwayman was killed in Paris by fascist thugs after an argument. The workers on two stations declared a 24 hour strike. But this is a symptom of what is to come. Finance capital was taken by surprise by the May movement of students and workers, but it is already beginning to prepare for the future. Reaction polarised itself round the Gaullists, but as even the American *Newsweek* magazine quoted: "By voting for de Gaulle, said one opposition politician, 'Frenchmen will assure themselves of the status quo for a few months or perhaps a few years. But it will all end with a big bang compared to which last month's events may seem like a carnival.'"

Learn from events

There will be a falling away in the support for Gaullism among the peasants and middle class, since only big business will benefit from their policies. Gaullism will probably give way to the "coalition of the Left" so longingly demanded by the Communist Party. Thus the capitalists will prepare for a struggle with the workers. The victory of Gaullism will be a pyrrhic one. But the most advanced workers and students, particularly the youth, will be learning from these great events. The Communist Party leadership and that of the Socialists will demonstrate their responsibility for the harsh and bitter struggles that will face the workers. The Communist Party leadership will demonstrate that their own cowardice, stupidity and betrayal have solved nothing for the working class. The best elements of the rank and file will revolt. No longer is there the same blind support for the "Communist" Party which led to the defeat of the working class in the pre-war Popular Front and 1944-47. The struggle has just begun. In the coming months and years the working class will begin to see that the only solution to their problems lies in a change in society.

The leadership of the Communist Party, backed by the Russian bureaucracy, will find that the end will come for their policy of deceit and cynicism. No one can break the will of the working class to organise a new socialist order. At the cost of terrible and unnecessary sacrifices, the workers in France will continue the struggle begun with the May events. The socialist revolution in France has begun. Their leaders have halted them. But the workers will thrust them aside and find new leaders in the course of the mighty events which are coming.

Prologue: A costly trip

LAST SUMMER, Labour's deputy leader, Roy Hattersley, addressed a select covey of bankers and financiers at New York's plush Waldorf Astoria Hotel. The trip was paid for by city stockbrokers, Samuel Montague (a subsidiary of Midland Bank). The aim, according to the *Daily Telegraph* (12 September 1986), was to "soothe the fears of American investors in Britain about the prospects of a future Labour government."

As befits a tranquiliser, Roy Hattersley's speech was replete with words like "realism", "caution", "responsibility"... "Some of our aspirations will have to be postponed and some of our hopes will not be realised in our first five years."

Labour's prospective chancellor was making it clear that the next Labour government intends to work within the limits of Britain's capitalist economy. This includes acceptance of the narrow constraints dictated by Britain's remorseless decline. So determined to reassure the American capitalists was Roy, that he even quantified his self-denying ordinance. Firstly, while Labour would not abandon its anti-poverty programme and its commitment to improving social benefits, extra taxation would be limited to £3.6 billion. This is what the richest five per cent of tax-payers have gained from Tory hand-outs. What Roy Hattersley did not quantify, however, was the individual benefit if the £3.6 billion were shared out between the 16 million people near or below the official poverty line—about £4.30 a week!

Secondly, in pursuing a policy of refutation to promote industrial recovery, Labour would increase public borrowing. But the total borrowing would not be allowed to rise above 2 per cent of GNP. A few weeks later, in his Autumn statement, the Tory chancellor, Nigel Lawson, announced that Thatcher's government would be allowing public borrowing to rise to 1¼% of GNP. The difference between Tory "reflation" and Labour "reflation" is exactly ¼% of GNP, currently less than £1 billion—a mere smidgen!

If Roy's audience at the Waldorf Astoria were not reassured, it was certainly not on account of any radical economic proposals.

A dodgy approach

The deficiencies of Labour's economic policies is the subject of a recent article in the Communist Party's monthly, *Marxism Today*, by John Grahl and Bob Rowthorn. Even by the standards of this journal, for which *Marxism* is more of a designer label than a guide to its contents, *Dodging the Taxing Questions* is remarkable for its reformist candour.

The Labour leaders' "intentions are fine," says the caption, "but who is going to pay for them?" The answer from

Comment

By Lynn Walsh



Dodging The Taxing Questions



Marxism Today, November 1986.

Grahl and Rowthorn is quite clear: the working class. Far from criticising the Labour leaders for accepting the constraints of a diseased economy, the authors—rejecting any socialist temptations—urge them to embrace them even more openly. They advocate unequivocal acceptance of policies dictated by the logic of capitalist decline. If the need to "revive the economy" places constraints on borrowing and on taxation of the capitalist class, then reforms must be paid for by the "upper working class and ordinary middle class." Otherwise, they plead, there will be no reforms at all.

According to Grahl and Rowthorn "a new, post-Thatcherite consensus on economic policy is emerging", well expressed in Labour's plans for industrial regeneration, job creation, increased expenditure on social services, and the amelioration of poverty. They have noticed, however, that the Labour leaders' pronouncements are "filled... with evasions, hesitations and ambiguities." Fearlessly confronting the "difficult issues", the authors set out to put the Labour leaders back on the right track.

They deal with four main issues: (1) Nationalisation, (2) Taxation (which gets special treatment), (3) Incomes Policy, and (4) Finance.

Nationalisation: Drop it, of course

Nationalisation is summarily dismiss-

ed. "The present situation is that the very advanced demands for extended public ownership which appeared in Labour's programme in 1982 have been jettisoned because they are correctly perceived as a vote loser. For better or worse, nationalisation on such a scale is unpopular."

The Labour leaders may win support for "individual acts of nationalisation", but not for "a programme of widespread nationalisation of the type followed by the hard left." This situation could "perhaps, be reversed in the future..." But as to how, under what conditions, the authors have nothing to say. The leadership has "opted for a loose set of proposals for "social ownership" (including re-nationalisation?), but "potentially... most radical of all", in their view, are "plans for the expansion of existing public corporations" (which ones, after privatisation?).

The most "fruitful direction for industrial strategy" (and a "potential vote-winner" in their view) is the plan "to build certain social objectives into a programme of public support for industry... channelled to enterprises of all kinds through a range of national, regional and local agencies, in the form of subsidies, public investment stakes and public purchasing. It would be directed towards job creation and all the aspects of industrial modernisation—research, investment, training, product develop-

ment." The next Labour government, in other words, should return to the policy of the 1974/79 government—featherbedding big business from the public purse. Grahl and Rowthorn sum up their strategy with a truly breath-taking observation: "It means, of course, accepting the continued importance of capitalist enterprise in our economy, but there really is not much alternative."

Has socialism ever before been abandoned by "Marxists" with such urbane understatement?

So determined are they to be "realistic", Grahl and Rowthorn never ask themselves whether massive state investment in "capitalist enterprise" will, in practice, successfully reverse Britain's industrial decline. What are the lessons of past Labour governments? Or of the socialist governments in France and Spain? Unless the capitalists are convinced that conditions exist which will ensure an acceptable level of profitability, they will not invest. If there is already overcapacity, why invest in new capacity? If a Labour government offers them subsidies they will, of course, gratefully accept them, provided there are not too many strings attached. But they will simply be used to subsidise... profits.

The authors, however, do see one little problem. Massive subsidies to industry will conflict with measures to improve social provision and living standards: "These objectives cannot be achieved simultaneously... Since Labour has rightly declared itself the party of production, investment must take precedence and some of these objectives must be abandoned for the time being, or at least scaled down..." Once again, the working class and sections of the middle strata will be exhorted to make sacrifices on the altar of Capital—this time with the approval of *Marxism Today*.

Tax: The poverty of policy

Grahl and Rowthorn welcome the commitment to reduce unemployment, improve social services, introduce a minimum wage, and increase welfare benefits, as all socialists would. They also point to the lack of any clear commitment to allocate the massive funds required for these policies. The £3.6 billion extra taxation is, they correctly say, "little more than a gesture." There is, they concede, "some scope for squeezing the rich even further", something of an understatement given the Thatcherite shift in property and income to the rich and super-rich.

But they reject radical measures, such as a limit on anyone receiving a post-tax income more than three times the average: "It might drive out of the country many top professionals, industrial managers and others upon whom our future prosperity depends." From a pure-

ly financial stand point, they say it would raise only an additional £2 billion over and above the £3.6 billion already proposed by Hattersley.

So where will the resources for reforms come from? As Grahl and Rowthorn started out by dismissing the creation of new wealth on the basis of public ownership and a plan of production, they are pushed by their own logic to go the whole way in the other direction. Reforms must be paid for by higher taxes on the workers and middle class!

These "Marxists" have learned nothing from the past. The reforms of past Labour governments were mainly financed not by redistribution of wealth between the capitalist rich and the working class, but by a redistribution of income between the relatively better-off sections of the working class and the low paid and unemployed. Under the 1974-79 Labour government the rich actually slightly increased their share of the wealth, while the burden of taxation and insurance contributions on workers increased.

The reformist leaders themselves were long ago forced to admit the limits of their approach once boom was replaced by economic downswing. Towards the end of the 1964/70 Labour government, Richard Crossman, a leading spokesman of reformism, acknowledged that "taxes are increasingly being paid by the ordinary worker and even income tax can no longer be thought of as mainly a tax on the better-off." He admitted that the Labour government had reached the "limits to public expenditure" set by "working class attitudes." After the defeat of the 1974-79 Labour government, some of the ideologues of reformism once again made the same admission. Writing in *The Socialist Agenda: Crosland's Legacy* (1981) David Lipsey acknowledged that Tony Crosland, a leading member of the Wilson-Callaghan government, had been forced to admit that "without growth, increasing public spending logically entails increased rates of taxation... Politically it brings any government rapidly against the taxpayers' revolt... and to the Nemesis of electoral defeat."

With or without the advice of *Marxism Today*, it is not at all unlikely that the next Labour government will resort to imposing even heavier tax burdens on working people. That is inherent in any attempt to grapple with the crisis without taking hold of the real levers of power. Roy's £3.6 billion pledge was aimed at reassuring big business, not workers. But the additional taxation would mainly be used to underwrite the futile attempt to bail capitalism out of its crisis, not to finance improved conditions for workers. Far from being "realistic" and "popular", the fiscal solution advocated by Grahl and Rowthorn would only

help prepare the way for an electoral massacre and political defeat for the working class.

Incomes policy: Spelling it out

"Even more crucial" than the proposed tax policy, however, "is an effective incomes policy." This is because of the claim on resources by the "consumption of wage and salary earners, especially those in the middle range." The greater their material consumption, the less material goods will be available for other purposes. Referring to the "upper working class and the ordinary middle class," Grahl and Rowthorn say: "To be realistic, the real income of this group must virtually be frozen for several years if Labour is to meet its existing targets..."

This is repeated several times. Later they go further, referring to "a virtual freeze... or even a reduction." The Labour leaders, they say, "are quite aware of the dangers of rapid wage growth and its possible effects," and wage restraint is implicit in Labour's proposal for a so-called National Economic Assessment. But they call on Labour "to spell it out": "Labour should be making it crystal clear to the whole population..."

The working class must be prepared for "restraint" and "sacrifice." They speak of Labour's objectives being "incompatible with unbridled individualism." They say the "pursuit of individual interests (must be) limited and controlled by recognition of the common good." The language used by these "Marxists" is from the vocabulary of Wilson, Callaghan and Healey, Labour's right wing leaders. If Roy Hattersley never mouths the words "incomes policy", it is not because of a speech impediment but because he is only too aware of the deep hostility among workers, a hostility born of bitter experience in the past.

Workers are prepared to make sacrifices, enormous sacrifices—in the interests of the working class. But sermons about the "common good" from the advocates of incomes policy inevitably fall on stony ground. The lesson of past Labour governments is that curbs on the income of higher paid workers never guarantees improvements for low paid workers and the poor. In a market economy there is no mechanism to bring about such a redistribution of wages. Anything saved by the bosses through an incomes policy is merely used to augment their profits.

Grahl and Rowthorn attempt to justify their position by pointing to the rise in living standards of some sections of the workers under Thatcher. The real income of the low paid and especially the unemployed has fallen sharply since 1979.

But the average post-tax earnings for manual workers have increased by 12 per cent in real terms, while for non-manual employees (including professional and managerial groups) the increase has been over 20 per cent. (They say this rate of increase is greater than in any other Western country; but they do not point out that in real terms British workers have fallen further behind their counterparts overseas. Taking the 1984 average pre-tax earnings of manual workers in the United States as 100, the equivalent workers' earnings in West Germany stood at 75, in France at 56, in Japan at 50, and in Britain at only 46.)

This gap in incomes, the authors say, has a "divisive effect on the working class." And it is true that potentially dangerous divisions have been opened up between different sections of workers. But it is totally false to argue that this can be overcome by an incomes policy. Pay restraint will not improve the position of the low paid and unemployed. An attempt by a Labour government to impose an incomes policy would be far more divisive than the differentials produced by the capitalist market, and could never provide a basis for unifying workers in struggle.

The pay policy of the last Labour government brought the Labour leaders into collision with large sections of the trade unions, culminating in the 1978-79 'Winter of Discontent', when thousands of public sector workers were pushed into action by poverty level wages. This had a disastrous effect on support for the Labour government, which went down to defeat in the general election of June 1979. Grahl and Rowthorn admit that it "will take some years" for Labour's industrial policy to bear fruit. Long before it bore any fruit, an incomes policy would produce a season of discontent, and on an even bigger scale than in 1978-79.

Finance: Softly, softly . . .

Grahl and Rowthorn say, quite rightly, that one of the greatest obstacles to the implementation of Labour's plans to develop production will lay "in the financial pressures produced on a world scale by economic slow down." Under conditions of crisis, when there is a sharp decline in the profitability of manufacturing, the capitalists will seek the "safety of financial assets." The authors recognise that these are "global forces which impose constraints," because if a Labour government implemented policies which adversely affected financial capital, such as reducing interest rates or increased public borrowing, the financiers would switch their funds elsewhere.

But Grahl and Rowthorn do not face up to implications of this.

The authors congratulate Roy Hattersley on his "very sophisticated

understanding of the problem," saying that he has described Britain's position as the world's largest international banking centre in "virtually Marxist terms." They rightly say that Labour's plan for "somewhat stricter regulation on financial transactions" and tax incentives to bring about the repatriation of some of this vast amount of British capital invested abroad will have very little effect. But they go on to accuse Hattersley of "an almost complete pessimism and defeatism in the sphere of practical policy" because he rejects the idea of general controls.

The truth is that on this point, Roy Hattersley has a clearer understanding of the realities than his would be "Marxist" advisers. While these lefts cling to the utopian idea of controls, the right wing leadership has been forced to acknowledge the real situation of present day capitalism, which is dominated by the world market. The authors criticise Hattersley for implying that "an elected Labour government is so weak vis-à-vis the big banks that Labour could not deploy an elementary instrument (ie exchange controls) of monetary policy which exists today in several European countries." Again, this ignores the lessons of France: despite severe exchange controls and the nationalisation of the banks, the attempt of the Socialist-Communist government to implement massive reforms within national boundaries was undermined by international pressures within only eleven months. Grahl and Rowthorn are advocating, in a completely contradictory way, that Labour should attempt to manage a capitalist economy in which international finance capital plays a dominant part while at the same time decisively severing the international links.

They correctly reject the idea, sometimes implied by the Labour leaders, that it is impossible to control international financial transactions for purely technical reasons, because of computerised international communications. It is not a technical problem, but a class problem. National restrictions on the movement of capital would be a major attack on the interests of finance capital, and they would use all their economic and class power to undermine any government that seriously tried to impose such restrictions.

This is even implicit in the comments of Grahl and Rowthorn, though they appear unaware of the contradiction. They admit that if Labour announces in advance that it intended to impose exchange controls, this would "lead to a huge sterling crisis if it looked as though Labour was going to win the election." In other words they acknowledge that it would be seen as a challenge to the interests of a powerful, if not the dominant, section of big business. However, they have an in-

genious answer: "What is required, is for Labour to impose exchange controls as soon as it takes office, whilst denying this intention beforehand. . . Such denials may seem like hypocrisy. . . but it is normal behaviour in the realm of international finance"!

They appear to think that the hostility of the capitalists to exchange controls would miraculously evaporate once Labour came to power. In reality, the hostility of the capitalists to measures to fetter their free pursuit of profit on the world arena would result in class measures against a Labour government. All their weapons would be used: a strike of capital, manipulation of the world money markets, and the power of the bosses' media.

Political terminus

Grahl and Rowthorn are more reformist than the reformists themselves. They advocate total acceptance of the logic of "capitalist enterprise". They underline the narrow limits which will be set by Britain's decline. Their only real difference with Labour's right wing is that they believe that the leadership should openly proclaim the harsh implications of this strategy in advance. The workers should be told they will have to make sacrifices to restore capitalism.

That is on the domestic arena. When it comes to the international economy, Grahl and Rowthorn take the opposite tack. The Labour leaders should prepare measures to isolate British capitalism from the world money market. But this intention should (somehow) be concealed. Once in office, Labour should put up the barriers, suspending the market mechanism at Dover. The only real difference between these so-called Marxists and Roy Hattersley is that they cling to the thoroughly nationalistic position that Labour's right-wing leaders have been forced to abandon in the face of capitalist realities.

Starting out from the abandonment of Marxist policies, that is the political destination of Grahl and Rowthorn: a reformist strategy that offers even less in the way of reforms than Labour's right-wing leadership.

Postscript

The Guardian recently featured a series on "The Crisis in the Dismal Science". The concluding article (14 January 1987) dealt with the demise of the "Marxist" economists of the 1970's. Bob Rowthorn, prominent in the CP's Euro-Communist wing and a member of *Marxism Today's* editorial board, confessed: "I've become a left reformist. The crisis has been long and drawn out, but I can't see the agencies of change and I'm not convinced about the socialist answers any more. . ."

A left reformist?

The American 'Irangate' crisis revealed that money raised from the sale of arms to Iran had been used to finance the Nicaraguan 'Contras'. Once again the future of the Nicaraguan revolution is being raised in the minds of workers and youth throughout the world.

Perspectives for the Nicaraguan revolution



JULY 1979 saw the overthrow of the hated Somoza dictatorship after 40 years of ruthless repression. It helped to fan anew the flames of the revolutionary struggles which were sweeping through Central and Latin America. Nicaragua's revolution helped enthuse the youth throughout South America, sections of which have looked to this insurrectionary movement as an example to be emulated. This development alone warrants a thorough study of the Nicaraguan revolution in order to clarify the tasks before the workers and youth in such countries as Brazil, Argentina and Chile.

Events in Nicaragua have also brought US imperialism to the brink of a direct military intervention and the financing of the Contras to the tune of over US \$100m. US imperialism has been terrified at the prospect of revolution sweeping throughout Central America, bringing down the puppet regimes in El Salvador, Honduras, Guatemala etc where the revolution has been unfolding apace. It has been the fear of revolution throughout Central America, with its inevitable consequences in South America,

By Alejandro Rojas

which has compelled Reagan and US Imperialism to try and 'snuff out' the 'example' of Nicaragua.

There can be no doubt that the overthrow of the Somoza dictatorship heralded a tremendous step forward for the workers and peasants of Nicaragua, especially when weighed against the nightmare of increasing poverty and misery throughout the continent. Under the Somoza dictatorship, preventable diseases killed over 30% of children in the countryside. Since the revolution, infant mortality has been cut from 33% to 8% and over 1 million people were vaccinated in a mass campaign against polio. Consumption of corn has risen by 33%, beans by 40% and rice by 30%. In the final years of the Somoza dictatorship a total of 1,000 doctors throughout Nicaragua were visited a total of 200,000 times. Since the revolution 500 doctors have qualified every year and have visited patients 6 million times annually.

A massive literacy campaign has been carried out, sending armies of teachers and students to the countryside to help eradicate illiteracy. Prior to the revolution it was estimated that 75% of the population had never read a book and that over 50% were illiterate! This rate has now been reduced to 14% and 1,200 schools have been constructed.

Such developments are clearly supported by all activists in the Labour movement. They have however resulted in many youth developing illusions in the leadership of the Sandinistas, imagining that the socialist revolution is being carried through. Marxism supports every gain and step forward taken by the exploited masses of Nicaragua and is implacably opposed to US imperialism in its attempts to crush the revolution. However in doing so Marxists cannot and must not reduce themselves to the role of mere cheer leaders. This is especially the case when those gains conquered are threatened by counter revolution. It is necessary to analyse the processes in the revolution and explain how the gains made can best be defended and

developed. Such is the case with the Nicaraguan revolution.

The key issue, which goes right to the heart of the matter in Nicaragua and Central America in general, is the theory of the Permanent revolution and the question of the class character of the revolution. For throughout the Colonial world, especially in Central and Southern America, an enormous movement of the masses has taken place. Only three years ago the whole of South America was one gigantic concentration camp. Today only two military police dictatorships remain, in Chile and Paraguay. It has been the movement of the workers, youth and exploited masses that has resulted in the downfall of these regimes. As we shall see later, the same was true in Nicaragua.

In these countries the immediate task posed has been that of resolving the issues of the bourgeois revolution. That is, the development of industry, the resolution of the land question, securing a unified, independent, nation state and the establishment of a stable parliamentary democracy. In varying degrees these issues lie at the heart of the tasks immediately posed throughout Latin America.

Permanent revolution

As Trotsky and Lenin explained, in the modern epoch the problem is that these issues cannot be resolved by the national capitalist class in the colonial countries because they are too weak. Bound to the landlords and in the last analysis to the coat tails of the more powerful imperialist powers, the national capitalist class is wholly unable to play any independent or progressive role. The economies of the colonial countries are dominated by the multi-nationals which have used them as a source of cheap labour and to secure raw materials and minerals.

Which class, then, is capable of resolving these fundamental problems, critical to the further development of society? As the experience of the Russian Revolution brilliantly demonstrated it is only the industrial working class, with the support of the poor peasants and exploited layers of society, who can carry out this task. For even in the backward colonial countries, with investment by the imperialist powers and, to a certain extent with the weak development of the national capitalist class, an industrial working class has been created.

However, upon seizing power such a class would not be able to confine itself merely to the question of the bourgeois revolution but, by very necessity, it would transgress such limits and go over to the tasks of the socialist revolution, with the nationalisation of the economy and a centralised plan of production based upon a system of workers' democracy. To lay the

basis for the construction of a socialist society, the revolution must be developed beyond the narrow constraints of the backward and underdeveloped nations to the advanced capitalist countries. Thus whilst the revolution may begin in a colonial country, if it is to result in the building of a socialist society it must be developed on an international scale. Such were the ideas of the Bolsheviks during the Russian Revolution under the leadership of Lenin and Trotsky. The failure of the international revolution left the USSR isolated, with a backward economy and horrendous shortages which, with the attempts to crush the revolution by imperialism, opened the way for a political counter-revolution in the 1920s. Whilst leaving intact the economic basis of the 1917 revolution (the nationalised planned economy), the political counter-revolution destroyed workers' democracy and replaced it with a bureaucratic caste - a clique which has now abandoned any idea of world revolution and instead acts as a counter revolutionary brake on such developments in order to protect its own position. For the development of the revolution on an international level would bring with it a **political** revolution restoring workers democracy.

In the recent epoch, in the course of the unfolding of the Colonial Revolution, a new twist has developed. The revolution has been carried through in some countries, but in a distorted way. Such has been the impasse of society that, despite the absence of a genuine mass Marxist force, capitalism and landlordism has been overthrown. However it has not been replaced with a workers' democracy but with a state apparatus in the image of Moscow today rather than that of 1917. At the top of such regimes have been placed guerrilla groupings, students and intellectuals or even radical layers of the officer caste of the army. When assuming power, such leaders never did so with the perspective of completing the revolution. They were pushed into doing so in part by the pressure of the masses and, for example, as in the case of Cuba, because of the reaction of imperialism in the form of an economic boycott. Such regimes, as in Cuba, China, Syria etc have been very popular and enjoyed tremendous support as the benefits of a nationalised planned economy have been felt. Whilst marking a break with landlordism and capitalism and as such representing a tremendous step forward, this development has not, however, signified the **socialist revolution and regimes of workers democracy**.

The absence of a regime of workers' democracy has been rooted in the nature of these revolutions, and in particular the absence of a **conscious leading role** being played by the proletariat, which finds its highest expression in a mass Marxist Par-

ty. For it is only the working class which can lead the socialist transformation of society. When other groupings attempt to do so, the best that can be achieved is the social revolution in a distorted form and the establishment of a bureaucratic one party totalitarian regime.

It is these crucial aspects of the Colonial and Permanent revolution which are now of critical importance if a path leading to the successful development of the socialist revolution is to be found in relation to Nicaragua, and the threat of counter revolution, by US Imperialism and the Contras, is to be defeated.

To do so it is necessary to look at the historical development of Nicaragua, especially taking into account the role played by the national bourgeois, the working class and the peasantry.

The historical development of Nicaragua

Like all of the countries of Central and Southern America, Nicaragua has been consistently plundered and exploited by imperialism. Conquered by Spain in 1523, Nicaragua was ruthlessly bled white under colonial rule. Some successful resistance was waged by the Miskito Indians on the Atlantic coast. Later, they were given some support from Britain which at that stage wanted a base for its own operations in the area against the Spanish, French and finally the North American powers. This support was in exchange for British imperialism being able to exploit the area with a relatively free hand.

Three hundred years of Spanish colonialisation saw Nicaragua turned into a slave-exporting base to such countries as Santa Domingo, Ecuador, Peru and Chile. Being a member of the Central American Federation, it was granted 'independence' in 1821 and slavery was abolished in 1824. Servile labour however continued throughout the 19th century. By this time two clear groupings had emerged amongst the ruling class. The first was the so-called 'Liberal' wing, based around such areas as the Pacific coastal port of Corinto. Largely drawn from small proprietors, artisans and others, they formed a budding retail merchant class which was politically touched by the great French revolution, and stood as vigorous supporters of free trade. Weighed against them was an arch conservative aristocratic clique of landlords.

Whilst the 'Liberal' regimes were perhaps slightly less repressive when they had the upper hand, they rapidly demonstrated their weakness. They were totally incapable of standing up to the dominating influence of North American imperialism and in the last analysis were always dragged along by its coat tails—usually after a few protests against US 'excesses', which may have damaged their

particular interests. They were incapable of following the traditions of the rising French bourgeois, from whom they nevertheless drew a certain verbal 'radicalism'.

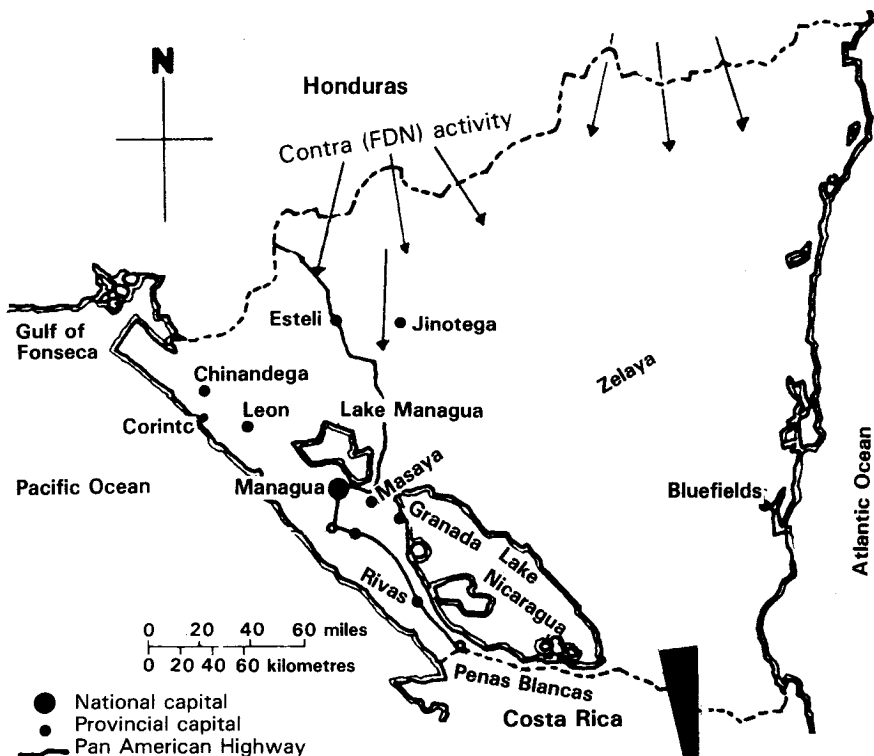
The conservative clique never even bothered attempting to put up a 'radical' mask, but accepted the mantle of outright collaboration with US imperialism from the very beginning. They were nevertheless a powerful grouping basing themselves upon the coffee markets which up until 1950 accounted for 50% of Nicaraguan exports.

Thus the Nicaraguan bourgeois was from the outset weak and feeble, especially when pitched against the mighty imperial powers. As such they were unable to play any substantially independent and certainly not a progressive role. They were unable to come anywhere near completing the tasks of the bourgeois revolution, which the 'Liberals' had so enviously watched their French counterparts do historically. In the last analysis they accepted the role of being little more than coupon clippers for imperialism. Between these two groupings a bitter struggle was fought out in the form of military coups, dictatorships and civil war, with US imperialism, as it developed, playing the role of arbiter by supporting which ever served its purpose best at the time.

The discovery of gold in 1843 brought with it increased interest in Central America especially with the prospect of constructing a canal coast-to-coast for the shipment of gold and other raw materials. In August 1849, Roberto Ramirez, as Supreme Director of Nicaragua, signed the first contract allowing for the construction of such a canal. At the same time the Legislative Assembly accepted the principle of "absolute exclusion of foreign intervention in the state's internal affairs and calling upon other Central American states to do likewise."

As events demonstrated, such a declaration was more of a dream of how the Nicaraguan ruling class would have liked things to be. For when US imperialism cracked the whip, they jumped in a flash and accepted the 'realities' of life. They were too weak to make any serious stand and feared any mobilisation of the Nicaraguan masses with whom they would have come into collision.

Civil war broke out in 1850 bringing to power the extreme reactionary, Prutos Chamorro. This provoked a revolt by the 'Liberals' who, under the leadership of Jerez and Castellon, landed a small military force at El Realejo in 1854. This 'Liberal' grouping immediately started peace talks in order to try and secure some concessions. The offer was rejected and the 'Liberals' turned North to get the help of an American mercenary, William Walker. He, in return for lavish payments, offered a force of about 300



men. He landed in 1855—with Nicaraguan citizenship and the self-appointed rank of Colonel.

In fact the 'Liberal' wing of the Nicaraguan ruling class had enlisted the support of a renowned slave holder from the South who had his own objectives - to sieze control not only of Nicaragua, but of the whole of Central America as a base from which to reinforce the southern slave states of North America.

Rising power of US imperialism

Walker seized power and installed his puppet Rivas as President while he, in reality, ruled from the wings. So reactionary and ruthless were his methods of rule that even Rivas was repelled. Summoning all of Central America to his support, Rivas rebelled in 1856, beginning the so-called 'National War'. In response, Walker had himself appointed as President of Nicaragua and El Salvador. Walker's drive to conquer all of Central America brought him into conflict with British imperialism for he tried to spread his influence into the coastal areas of the Miskito Indians—then a British colony which later was incorporated into Nicaragua. Walker was defeated in 1857, whereupon he returned to North America to launch a further attack in 1860.

At this stage the Northern states of America clearly did not want a victory for Walker which would have bolstered the position of the Southern states. They were also beginning to look towards Central America as a potential area for development themselves. Walker was captured by a British gunboat, turned over to the government in Honduras, where he was put up against a wall and shot. The whole

incident clearly demonstrated the role of the 'Liberal' wing of the Nicaraguan ruling class. The way was formally opened for US penetration of Nicaragua with the signing of the Cassirisa treaty in 1859.

The 'Liberals' eventually took Managua in 1893, after a series of risings. In 1894 they annexed the Miskito coast, paying British Imperialism US \$15 million for it in 'compensation'.

This was the period of the rising power of US imperialism, which was increasingly squeezing out the major European capitalist powers. The policy of so-called 'dollar diplomacy' was adopted. Loans were given to certain countries throughout the region. In return the US was granted the exclusive rights of trade and exploited mineral and other raw materials. In reality it meant that the states concerned were signed over to US imperialism to do with as they wished. Terms were imposed to protect investments, banks and railways which, if not adhered to, resulted in the automatic right of military intervention.

In 1893 the Nationalist Liberal Party came to power. It was offered arms to 'unify Central America' in return for the

US being given exclusive rights to build and operate a canal linking coast to coast. President Zelaya refused. The US thus engineered his downfall and US troops invaded Nicaragua for the first time in 1909. A presidential stooge of US Imperialism was put in power, Diaz. He immediately agreed to the following 'proposals': the abolition of all state monopolies; an agreement to pay the external debt; to guarantee the interests of all foreign nationals; all Nicaraguan customs departments, Post Offices, national Banks, railways and harbours to be placed under the control of US creditor banks. The terms were so harsh that once again the 'Liberals' revolted in 1912. 2,700 US marines landed to crush the revolt. Diaz was again 'elected' President, receiving 4,000 votes from a population of 800,000.

US imperialism was determined to maintain total control of Nicaragua, largely out of its own interest in the construction of a canal. US marines were permanently stationed in Nicaragua until 1925. Elections were held two months after their withdrawal, only to be followed by another coup by the Conservatives under the leadership of Chamorro. Once again civil war raged with widespread attacks undertaken against US investments. The rebellion was led by Vice President Mocada. US troops were once again sent in. Peace terms were offered and accepted by Mocada on behalf of the 'Liberal' officers. There was, however, one exception: Sandino, or as he became known, 'the free man's general'. He refused to accept the peace offer and began a guerilla war which lasted until 1932.

The free man's general

Sandino's stand rallied the sympathies of thousands of peasants and the urban masses. Having been betrayed by the 'Liberals' and imbued with a hatred of US imperialism, his struggle captured the imagination throughout Nicaragua and Central America. Moreover, it drew international support with the memory of the Russian Revolution, the Chinese Revolution of 1927 and the British General Strike of 1926, and was viewed by the activists who were touched by it as another struggle against imperialism. Banners supporting Sandino were even reported to have been carried in Peking in 1927.

The guerrilla army which started with only 27 recruits quickly grew and rose at its height to an armed force of about 3,000. Its support came mainly from peasants and the urban poor, not only from Nicaragua but throughout Central and Southern America. In its ranks were to be found youth from South America, Central America and even some Europeans and a few from Asia. This move-

ment, limited though it was, terrified capitalism and US imperialism. As a result over 800 fully armed US marines were sent in an attempt to crush the guerrillas when they only numbered between 50 and 100 armed men. Sandino and his army conducted what can only be described as an extremely heroic struggle which has left a powerful tradition throughout Central and, to a certain extent, Southern America. At first they suffered some defeats but later won some very convincing military victories against the US and Nicaraguan forces.

The regime became enraged when it first failed to crush this movement, unleashing a reign of terror against the peasant masses. Mass executions, tortures and beatings took place in a completely indiscriminate manner. It served, however, only to increase the sympathy for Sandino's army. The National Guard undertook much of the repression, having been established at the behest of US imperialism and then officered by it. One example of the ruthlessness deployed was in Ocotal, a small town which was looted by a group of peasants who were not from Sandino's forces. The result was a mass bombing raid, killing over 300 in one attack. In Managua 70 bombers were flown in from the US and used in the countryside and throughout the country. After a brief interlude of negotiations US troops went onto the offensive. All those taken prisoner were immediately executed. The infamous 'waistcoat' torture was established, whereby the victims had both arms cut off.

Against seemingly incredible odds and with few weapons the struggle was continued for some years. In 1932, after being given an assurance that US troops would be withdrawn and the safety of his fighters promised, Sandino agreed to surrender. It was a disastrous mistake from which many lessons can be learned, not least in the situation which has developed in the recent period. As the guerrillas drifted into the cities the so-called 'safety' promised to his men proved nonexistent. They were taken by the National Guard and executed, under the orders of Somoza.

Later Sandino, after dining with government officials, was himself killed. Even in his death the dominance of US imperialism and the collaboration it enjoyed with the national bourgeois was clearly exposed. Somoza went to the President, declaring, "I have come from the US Embassy where I have had a conference with Ambassador Arturo Bliss, who has assured me that the government in Washington recommends the elimination of Augusto Sandino for considering him a disturber of peace in the country."

Sandino conducted an heroic struggle. However heroism is not enough for a successful struggle. In his analysis and

method lay a fundamental weakness which would deny him victory - a weakness which unfortunately exists amongst the FSLN leadership today. For Sandino the struggle was purely military, the aim being to force US troops from Nicaraguan soil. Even if this aim had been achieved he failed to see that without a social revolution imperialism would still dominate economically. Moreover, it would do so working hand in glove with the national bourgeois.

As a result, he refused to allow the struggle to develop onto the social questions and would not recognise the existence of a struggle between the classes within Nicaragua. The movement was purely national, with no orientation towards winning and mobilising the support of the exploited masses throughout Central America, which could clearly have been achieved. How, after all, could a small nation such as Nicaragua defeat a mighty imperial power alone, without a class content to the movement?

The Somoza dictatorship

For Sandino it was thus "essentially a national thing". Whilst correctly concluding that "only the peasants and workers will go to the end", he did not grasp the necessary conclusion in relation to the social revolution, and made no real effort to build a base amongst the urban centres which were growing up at the time. The possibilities to win the young urban masses support for the revolution throughout Central America was demonstrated by events which took place in El Salvador where, in the first and last 'free' elections held in 1931 the Labour Party was brought to power on the basis of a movement for land reform and a movement in the cities. In 1932 this was followed by local elections which resulted in large gains for the Communist Party. Even at this stage 10% of the workforce were organised into trade unions. An insurrection was called by the Communist Party, somewhat prematurely, and was crushed. However, these events clearly indicated what possibilities existed at the time.

Sandino however took another course: "Neither extreme right nor extreme left but a united front is our slogan. This being the case it is not illogical that our struggle should get co-operation from all social classes without 'ism's or classifications."

With the withdrawal of American troops, a debate opened up within the Sandinistas over the developing social revolution. Sandino opposed it, having supported the expulsion of the 'Communists' from his army beforehand. In part this was undoubtedly due to the ultra-left stand of 'social fascism' etc adopted by the Comintern at the time, but



Left: Sandino, the 'Freeman's General'. Right: Nicaraguan soldiers, part of the Sandinista's forces. Including the militias over 150,000 people are under arms in Nicaragua today. Photo: Piers Cavendish (Reflex).

it clearly indicated the fundamental weakness in the analysis of the 'free man's general'. A 'patriotic group' was established which urged Sandino to surrender, end the war and "allow stable conditions for business" to be established under the 'Liberal' Sacasa who was President at that time. Sandino accepted and was then assassinated in 1934 after dining with Sacasa and Samozá.

The assassination prepared the way for a coup by the National Guard. Jarquin was named President, who then called rigged elections which brought Somoza to power in January 1937. Elections were banned in all the municipalities and the Presidential term extended. It opened the way for 40 years of dictatorship backed, and indeed brought to power, by US imperialism. Somoza became nothing more than a puppet for US imperialism. However, despite this ruthless repression, all opposition was not crushed. Most significantly in Managua it centred around the CTM (the Workers Confederation of Managua) with over 3,000 members in semi-underground conditions.

Somoza was assassinated in 1956, his place being taken firstly by his elder son who then, upon his death, passed power to his younger brother.

The Somoza dictatorship was a nightmare for the masses of Nicaragua, resulting in the slaughter of tens of thousands which went side by side with grinding poverty and misery. An estimated 30% of the population lacked

anything approaching an adequate diet. As in all the colonial countries the industrialisation which took place brought with it no benefits in a material sense for the young proletariat in the cities.

This living hell for the mass of the Nicaraguan population was mirrored by the accumulation of a massive fortune by the Somoza family. By 1979 it was estimated to have amounted to US \$150 million inside the country and millions more invested abroad. Apart from this, Somoza owned 150 separate industrial plants accounting for 25% of all industry and over 10% of cultivatable land. He also owned the only airline, a television station, a newspaper and the Mercedes Benz distribution agency.

Economic development of Nicaragua

Somoza saw his primary role, apart from increasing his own personal fortune, as defending the interests of US imperialism. As his son put it, his father was, "the only national leader the US could count on to bat 1000% for it in the United Nations." US imperialism regarded the Somoza dictatorship certainly as 'one of theirs', if being somewhat embarrassed by certain 'excesses'. As Franklin Roosevelt put it, "Somoza may be a son of a bitch. But he is our son of a bitch."

Somoza ensured that in effect the entire state apparatus was transformed into his own private army, certainly this was the case as far as the 7,500 strong Na-

tional Guard was concerned. To prevent it becoming infected by any movement of the peasants or workers, Somoza ensured that it was separated from the rest of society and given vast perks and privileges. Good wages were paid and to prevent officers striking up too friendly a relationship with the troops, they were regularly moved around, most being sent to the USA for training. Between 1946 and 1973, 4,120 officers and soldiers were officially sent to the US for these purposes. Nicaragua assumed a vital strategic role for the operations of US imperialism throughout Central America. It was from here that the ill-fated Bay of Pigs operation to crush the Cuban revolution was launched in 1961.

Over the preceding thirty years Nicaragua had become almost unrecognisable. Widespread industrialisation had taken place, largely by direct investment from multinationals and also by loans being given to the national bourgeois, who by Central American standards were relatively powerful. These loans and investments ensured that imperialism had the lion's share and dominated the economy. Thus by 1972 the foreign debt stood at US \$255 million, rising to a staggering US \$1,000 million by 1978. The US had important investments in critical sectors of the economy but the national bourgeois had an important influence in light industry. The industrialisation largely took place throughout the 1950s, resulting in the strengthening of the industrial working

class as thousands of ex-peasants came into the cities, especially Managua, from the countryside

Cotton overtook coffee, livestock and sugar as the main basis of the economy. Output rose from 3,300 tonnes in 1950 to 125,000 tonnes in 1965. By 1970 light industry was equal to agriculture as a percentage of the Gross Domestic Product. By 1976 it was slightly ahead at 24% as compared to 23%. As a result, the agricultural population fell from 60% of the total in 1960 to 44% by 1977. The urban workers employed in industry, construction and mining constituted 16-18% of the total workforce by 1975—a greater percentage than in pre-revolutionary Russia.

Even in land relations an important development was under way with a certain establishment of capitalist land relations. The concentration of land into a few hands went alongside the growth of land labourers as opposed to peasants—who still constituted the majority. A tiny clique of 1,600 (1.5%) people held 45.1% of all cultivated land and 20.3% held a further 41.1%. The poorest 78% of peasants held a mere 17% of the land. The total number of agricultural labourers stood at 310,000.

Struggles of the 1970's

Nicaragua, like the rest of the colonial world, never enjoyed the fruits of the boom years of capitalism, the cream being carried off by the imperialist powers. However, between 1969 and 1974 a recession hit the Nicaraguan economy which had devastating effects. During this period 292 factories, or 37% of the total, closed down. Inflation also rose. The grave digger of capitalist society, the industrial proletariat, moved into action during this period, as a young and fresh working class. The industrialisation had aroused tremendous expectations amongst the workers. However, when these expectations were not fulfilled and the economy moved into recession, the proletariat began to flex its muscles and use its newly acquired strength. It coincided with a movement amongst the peasants and a struggle being conducted by the FSLN guerrillas, and culminated in the overthrow of the Somoza dictatorship in July 1979.

Throughout the 1970's a considerable movement of the working class took place in the cities. Strikes broke out amongst the teachers, construction workers and health workers. These struggles were mirrored by a movement in the countryside of land seizures and vicious battles involving the National Guard. It was during this movement that the FSLN began to gain an authority and reputation amongst the peasants and land labourers. Because of the lack of any other serious force, after

a period of time it also gained a reputation in the cities partly because it was against the FSLN that the hated regime directed a large part of its propaganda and repression. This movement of the workers and peasants terrified both US imperialism and the Somoza dictatorship. Above anything else both the imperialist powers and the national bourgeois of the colonial countries fear a movement of the masses.

By 1977 the construction workers had again been drawn into struggle and demonstrated themselves to be one of the most militant sections of the Nicaraguan proletariat. In the countryside a civil war was in effect taking place. In 1978 major struggles erupted at Leon Esteli, Chirandega and Masaya between the National Guard and armed groups. Eventually the National Guard bombed these small towns killing over 6,000. Masaya held out against the assault for a week. The heroism and determination to struggle was tremendous. In the two years preceding the fall of the dictatorship a staggering 50,000 or 2.9% of the entire population was killed.

Sections of the national bourgeois, fearing such developments, began to move into opposition against the dictatorship. Adopting a strategy of trying to ease out the regime, they hoped to be able to control the movement of the workers and peasants. In this they were wholly unsuccessful, at least in part due to the determination of Somoza to hang on to power. These divisions had begun to appear as early as 1970 with a split opening up between the Conservative Party and Somoza's National Liberal Party and were reinforced in the light of the earthquake which hit Nicaragua in 1972, destroying Managua. Foreign aid was rushed in, but little found its way to assist those capitalists who had seen their factories and investments destroyed and who needed compensation and the rebuilding of the infrastructure which capitalism requires—none found its way to help the workers and peasants. Somoza, on the other hand, was able to line his pockets still further.

Given the conditions which were developing, had a genuine Marxist party existed, the revolution could have been developed along the more classical lines of events in Russia of 1917, bringing to power a regime of workers democracy, as a springboard to developing the revolution throughout Central and Southern America and then to the advanced capitalist countries and even the USA. The three objective conditions for revolution laid down by Lenin existed. The bourgeois was split under the pressure of the movement of the masses. The middle layers of society were increasingly radicalised and being brought into the struggle as demonstrated by the strikes

amongst the teachers and health workers. A massive movement was under way in the countryside and the working class was willing to struggle. It was the lack of the fourth condition, a Marxist party, which resulted in the revolution taking a distorted and somewhat peculiar route.

In December 1974 a section of the bourgeois formed what they called a 'broad front', the Democratic Liberation Union, UDEL, with certain trade union organisations. Seeing the development of the revolution US imperialism began to look at possible ways to prevent an explosion and gave their backing to UDEL as a possible 'Liberal' alternative to the dictatorship.

The Sandinista FSLN had carried out a series of guerrilla attacks during this period which had provoked a massive wave of repression. Somoza calculated that he had crushed them and lifted the State of Emergency in 1977. However, rather than intimidating the movement, this wave of repression provoked an enormous reaction. In November 1977, UDEL published an appeal calling for a 'democratic alternative' to Somoza which would include the FSLN. The appeal was carried in the conservative daily, *La Prensa* which was edited by UDEL leader Chamorro. As a result Chamorro was assassinated in 1978. Revolution sometimes needs the whip of counter revolution, for this killing unleashed a new and decisive movement.

The overthrow of Somoza

UDEL and the trade unions called a general strike to coincide with Chamorro's funeral. An estimated 120,000 participated. It was a crucial turning point for the revolution and for the first time a generalised urban mobilisation took place. It terrified those bourgeois who, up until then, had thrown their support behind UDEL. As a result, in July 1978, they established a new organisation, FAO, which was made up of sections of the bourgeois and one wing of the FSLN, Las Terceristas. This undertook negotiations with the USA to try and establish a 'moderate' solution to the crisis. The FSLN withdrew when negotiations with the USA opened. The FAO then undertook direct negotiations with Somoza. The bourgeois were desperate to try and prevent a social explosion. As a result of its negotiations with Somoza, the FAO lost most of the influence which it had built up amongst the masses. Events had driven the workers and peasants beyond the idea of a 'chat' with the hated dictator.

The FSLN had been conducting a struggle in the countryside, and due to the lack of an organised alternative, had also developed a powerful reputation within

the cities. This was despite the fact that it was a small organisation of no more than 500 armed activists at any given point in time. It was divided into three fractions advocating a variety of ideas, but dominated by the idea of a guerrilla struggle, as a substitute for the conscious movement of the working class, with the support of the poor peasants, to seize power.

By February 1979, a new organisation had been established including the three fractions of the FSLN, some trade unions and a few minor bourgeois groupings. Having previously been compelled to suspend military activity, by March the unified FSLN opened a new offensive. The regime was totally isolated, with only the National Guard prepared to lend it any support.

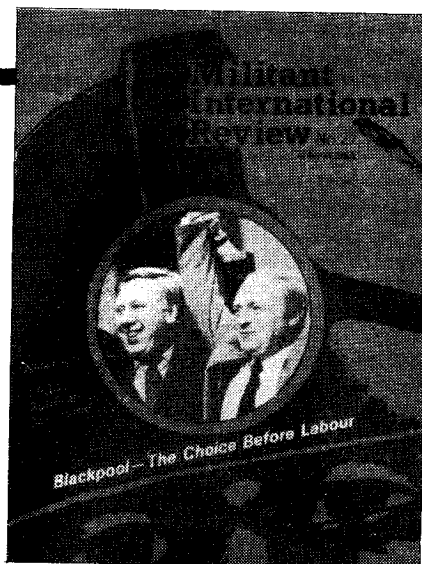
A massive social explosion erupted, and the FSLN then issued a call for a mobilisation of the masses. On June 10th a spontaneous general strike broke out in Managua. Sections of the National Guard tried to make a stand but were overwhelmed by the enormous movement which took place. The regime was overthrown and beaten. The National Guard fled, later to form the basis of the present day 'Contras'.

From Costa Rica, in exile, the Sandinista leaders returned and announced the formation of a Provisional Government made up of three Sandinistas and two bourgeois politicians. They marched into Managua and found themselves placed at the head of the movement. The Provisional Government was renamed the Junta of National Reconstruction—JGRN.

The Sandinistas

The bourgeois state machine had collapsed! What, however, has replaced it? And what are the perspectives for the Nicaraguan revolution? In order to more fully understand the class basis of the state which has been established, and answer the two questions posed above, it is necessary first of all to look at the ideas and history of the FSLN.

In the light of such a rising the impression has been implanted that the Sandinistas are carrying through the socialist revolution. Unfortunately it has been their failure to do exactly that which is now putting the revolution in jeopardy. Above all else, the socialist revolution consists of a conscious movement by the proletariat to take power into its hands, through the establishment of a workers' democracy, based upon the lessons of the experiences of the Paris Commune of 1871 and then clarified in the Russian Revolution of 1917. Lenin summarised such a state to rest on the following fundamentals: the abolition of the standing army and its replacement with the arm-



MIR No 27, Autumn 1984 with Bob Labi's article on *Marxism and the Nicaraguan Revolution*. Price 75p from World Socialist Books, 3/13 Hepscott Road, London E9 5HB.

ing of the people, all officials to be elected and subject to immediate recall at anytime, all officials to receive the same wages as a skilled worker, popular participation in all administration and the rotation of senior positions with the management and control of society by workers' councils—Soviets.

A state apparatus based upon these foundations unfortunately does not exist in Nicaragua at the present time. Moreover, the regime was overthrown by a spontaneous rising from below, rather than a conscious movement by the proletariat to seize power. Into this movement has been injected the ideas of guerrillaism which have particularly eclipsed the method of proletarian struggle, due to the guerrilla movement which took place and the ideas of the FSLN. Thus we have seen the development of a revolution which has lacked the decisive leadership of the proletariat in conscious form, and impregnated with the false ideas of guerrillaism.

Compare this with the October revolution in Russia, which had been consciously prepared by the Bolsheviks under the leadership of Lenin and Trotsky and where the proletariat was imbued with the perspective of the international revolution to ensure the success of the revolution and allow for the construction of a socialist society.

In other similar situations the revolution has been carried through, but in a distorted manner. In Cuba, for example, capitalism was abolished but instead of a regime of workers' democracy, a bureaucratic one party totalitarian state was established. A regime which was, and to a lesser extent still is today, enormously popular, but which is not a workers' democracy. In Nicaragua however, the Sandinistas have not taken the revolution to a conclusion, in the sense of overthrowing capitalism, which still predominates in relation to the economy.

Thus the Sandinistas have found themselves at the head of a new state apparatus, and permitted capitalism to predominate in the market place! What has given rise to this apparently curious phenomenon?

Unfortunately, the leadership of the FSLN have not learnt from the experience of the Russian Revolution nor of the international working class. Tragically they have fallen not under the influence of the Bolshevism of Lenin and Trotsky but have taken up the mantle of Menshevism. For in reality they have accepted the so-called two stages theory. They held a perspective that a 'progressive' wing of capitalism existed, that with the fall of the dictatorship a period of capitalist development would be necessary during which they could share power with the bourgeois. **They had no perspective for the socialist revolution.** For the Sandinistas it is fundamentally a 'national affair'. If such a perspective was doomed to failure from the standpoint of the socialist revolution in 1927, then how much more so is it today? With the increased monopolisation of capitalism and the development of the world market, no revolution or nation can set itself aside from either the international market nor, for a successful revolution, from its development to an international level. From the standpoint of Marxism and the interests of the world revolution and those of the Nicaraguan workers and peasants, the issue is not the good intentions or otherwise of the FSLN leadership. Their heroism is not the issue. The question is how to obtain a lasting victory for the masses as a whole.

Guerrilla struggle

The FSLN traces its history back to 1962, being created by Carlos Fonseca, Silvio Mayorga and Tomas Borge. Many of its founding members were drawn from the pro-Moscow orientated PSN (Nicaraguan Socialist Party), fundamentally because they were dissatisfied with the lack of a serious or combative struggle being waged against the dictatorship. At the same time they had been tremendously inspired by the development of the revolution in Cuba. Fonseca had met Che Guevara in Cuba one year after the FSLN began its campaign inside Nicaragua. Its initial strategy was that of a classical guerrilla struggle in the countryside. By taking up arms they hoped to be able to develop the conflict to the point where, with the sympathies of the mass of the peasants, a victory could be achieved. Between 1962 and 1967 such a struggle was undertaken.

This method was false from beginning to end, especially given the industrial development of the country in the preceding years. With its handful of

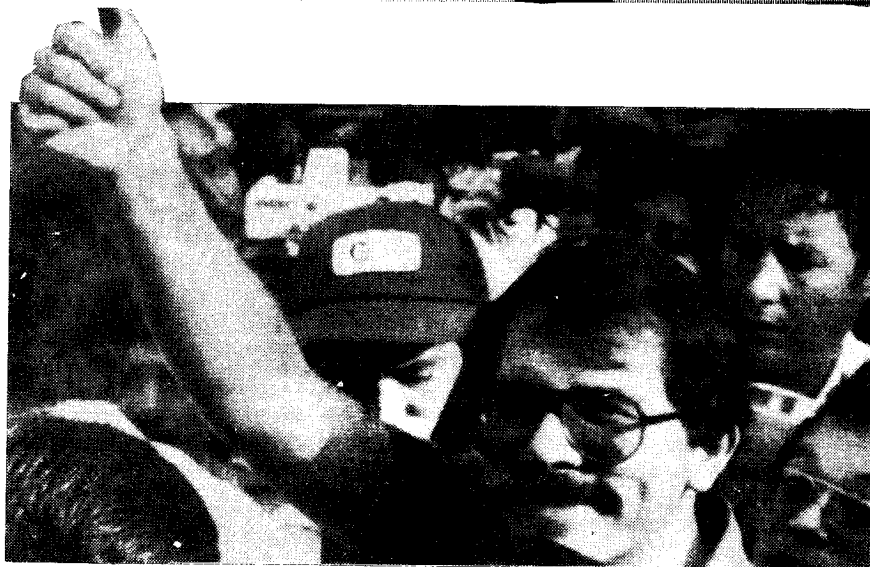
members the FSLN tried to substitute itself for a movement of the masses, especially in the towns. By basing itself on a movement of the workers in the towns and a movement of the peasants in the countryside, and with a Marxist programme, perspective and party, the revolution could have resulted in the establishment of a workers' democracy. But for the leaders of the FSLN such ideas were a closed book.

Marxism has always explained that it is the industrial workers, organised together in the factories and workplaces, who are compelled to struggle as a class, and which will play the decisive role in the revolution. Behind their banner other exploited layers, such as the poor peasants, intellectuals, students and the urban petty bourgeois can be drawn. **Any attempt to substitute a tiny organisation for such a movement can never result in the establishment of a workers democracy which is the basis for the resolution of the problems of the bourgeois democratic revolution, through the development of the socialist revolution at an international level.** Any organisation which attempts to substitute itself for such a movement will inevitably become isolated from the masses, leading to mistrust and a contempt for the masses, thus laying the seeds for a bureaucratic clique at a later stage.

Marxism strives for the maximum participation by the working class and peasantry. However, in doing so, it in no way rejects the necessity for the masses to take up arms, including the peasantry organising a war in the countryside, which in Nicaragua would assume a critical role; but always as an auxiliary to a movement in the towns. The Sandanista leaders, however, viewed the movement in the towns as auxiliary, and even imagined that a relatively small organisation would conduct such a struggle. The attitude of the FSLN was underlined by Daniel Ortega when he declared, "we underestimated the masses." Thus, even amongst the peasantry, whilst developing widespread sympathy and support, no attempt was made to build a mass party.

By 1970 the FSLN had suffered some heavy defeats and was forced to suspend its activity for a period. This led to an open discussion within the FSLN. Three clear tendencies had developed: a majority led by Ortega, 'Las Terceristas'; the GPP (the Prolonged Guerrilla War) under the leadership of Tomas Borge; and the smallest, 'the Proletarian Tendency' under the leadership of Jaime Wheelock.

A clear majority favoured some kind of guerrilla war, although some differences existed as to which kind. 'Las Terceristas' favoured taking the campaign to the cities following the example of the Tupamaros in Uruguay, after which they hoped the working class would follow them and their bombing campaign. But



Daniel Ortega

such a campaign at best would lower the consciousness of the working class, for only the working class can carry through its own emancipation. 'Why should we fight if they will do it for us?' would inevitably be the most positive outcome of such a position. No effort was made by the 'Terceristas' to build a party of the proletariat in the cities. At the same time, they supported an alliance with certain sections of the national bourgeoisie.

The GPP favoured a long struggle in the countryside with no reference to the cities at all. The 'Proletarian Tendency' argued that the FSLN must root itself amongst the working class. Whilst this signified a step forward, they lacked the necessary programme to do so. In 1975 the 'Proletarian Tendency' was expelled from the FSLN. It was with a clear majority favouring a guerrilla struggle that the FSLN found itself in power in 1979.

Character of the state

With the smashing of the Somoza state apparatus the FSLN has become the state apparatus. The hypocrisy of US imperialism in its denunciation of the 'repression' in Nicaragua has surpassed all levels, for Nicaragua in reality has been the most democratic state in Central America since the revolution in 1979. The elections which were held in 1984 indicated the overwhelming support that the FSLN has enjoyed. Within four days over 80% of all those over the age of 16 had registered to vote and gave Ortega a greater measure of support than that achieved by Reagan in the US Presidential elections. However the state apparatus which has been constructed will not allow the management of society to be in the hands of the workers and poor peasants. In essence once again it has boiled down to 'we will do it on your behalf'. The state apparatus has been modelled on Cuba, and as such, despite the tremendous enthusiasm which still exists for the revolution, it would be a mistake to think that a genuine workers' democracy, beginning to lay the basis for the socialist

construction of society, now exists in Nicaragua. This applies to both the state apparatus and property relations. Moreover, on its present course, nor is it capable of moving in such a direction.

The character of the state apparatus is a reflection of the FSLN itself. As an organisation it never took on the characteristics of a healthy workers' party. It was and still is a tightly controlled organisation which excludes the mass of workers and peasants from its ranks. Thus by January 1981, nearly two years after the revolution, it had a mere 500 members. This was increased to 5,000 and again to 12,000. Even now membership is narrow and restricted to a selected few, who are given specialised training for Government appointments. The Sandinistas argue that the restrictions on membership have been necessary to prevent the infiltration of counter revolutionaries and careerists. Measures to safeguard against such threats are clearly required. However, exactly the opposite has occurred. A party with a mass, active and above all politically conscious membership is the way to safeguard against such a development. A party with a restricted membership, which as we shall see is not controlled by the working class, will pave the way for a rising and privileged group at the top.

This restrictive nature of the party finds its further reflection in the state apparatus. For here control and management is not in the hands of the working class and peasantry. All direction and policy making is instead in the hands of the FSLN leadership, specifically the National Directorate. Since the elections the President has had the major powers concentrated in his hands. The Sandinistas point to the development of mass organisations of the trade unions (CST), rural workers associations (ATC), the youth movement (MJ19) and above all the Sandinista Defense Committees (CDS), as the basis of control by the masses. The explosive growth of these organisations after the revolution is undeniable and illustrates the support for the Sandinistas and the enthusiasm for the

revolution. The CDSs number 12,000, with an estimated participation of 500,000. **However, power is not in their hands.** The CDSs, it is true, have a certain autonomy over local issues of a day to day character. However they are more in the mode of a transition belt for FSLN leaders to pass the decisions down. At the same time they act as a sounding board for a certain consultation. **They do not control or determine policy and neither is the government under their control.** It is often pointed out that this is the function of the National Assembly. This however has little effective power which is firmly concentrated in the so-called Directorate.

This apparatus in no way compares with the Soviet democracy which existed after the Russian Revolution of 1917. Lenin and Trotsky fought against any development of careerism or bureaucracy, but not by preventing workers from entering the party. Membership of the Bolsheviks exploded from 8,000 in February to 240,000 on the eve of the October revolution. The Communist Party of Russia degenerated because of the objective conditions which developed, most specifically the defeat of the world revolution at the time. The Soviet form of government was not comparable with the CDSs in Nicaragua. The Soviets made up the government and determined policy at national and local level. They were elected from the workplaces, with delegates from the peasants and soldiers. All were subject to recall at any time.

Economy still in private hands

By contrast, in Nicaragua the state apparatus, although popular, still has the characteristics of those which emerged in Cuba, China, Yugoslavia and others - regimes which in the early period enjoyed tremendous support, but not regimes of workers' democracy.

These regimes however carried out the abolition of landlordism and capitalism, thus marking a step forward. **This has not been undertaken by the Sandinistas. In Nicaragua the economy is still in private hands.**

With the coming of the revolution the bourgeois overwhelmingly passed over to support the Contras, and are determined to crush the revolution. Some of these bourgeois were taken into the government by the Sandinistas in the early stages of the movement. Arturo Cruz leader of the CDN, was actually brought into the government in 1980. He in effect endorsed US intervention and denounced the elections as 'undemocratic'. The two original bourgeois representatives in the Government passed over to the contras almost immediately. The national bourgeois will not accept the Sandinista

state because it is not their state. This is despite the attempts of the Sandinistas to appease them, flowing from their belief in the existence of the non-existent 'progressive wing' of the bourgeois. For the bourgeois to rule they need their own state apparatus upon which to rely.

The Sandinistas, contrary to popular belief, have not taken over the decisive sections of the economy. As they themselves explained in their programme, *Plan for Struggle*: "At the same time, we set ourselves the aim of regulating the participation in our country's development of foreign capital from other states and private companies **within the mixed economy framework** (my emphasis) which offers room both for the functioning of the enterprises of the peoples property sector and for those in the hands of the private owners that correspond to the interests of national development. . . ." In reality, it has meant that the capitalist class still have control of the economy. This is so despite the fact that the properties of Somoza were nationalised: 168 factories, accounting for 25% of industrial plant and employing 13,000 of the 65,000 strong industrial proletariat. However it still left 60% of the economy in private hands. Thus the multi-national giants of Exxon and General Mills were left untouched. In fact the JGRN decreed in its proclamation number 3, that only finance, mining, fishing and all plants belonging to Somoza could be nationalised. In relation to the agricultural sector, private ownership has been even more dominant. Eabier Garvistiaga of the Ministry of Planning claimed in 1981 that, "very few people realise that 80% of agricultural production is in the hands of the private sector as is 75% of industrial production." A more detailed breakdown illustrates the point still further: 72% of cotton production, 53% of coffee, 58% of cattle and 51% of sugar production remain in private hands. Some would claim that these figures give a distorted view because in the agricultural sector most of the land is held by small land owners. Such a claim once again does not stand up to reality. Despite quite a widespread land distribution programme the 200,000 smallest farmers still only have 14% of the land. Reality is concrete!

Such a situation has left the Sandinistas in the worst of both possible worlds. They have terrified, or the masses have terrified, the bourgeois, but by leaving the economy in their hands have left it open to sabotage and chaos. For the bourgeois, as well as having given support to the Contras have, from the beginning, embarked on a programme of economic destabilisation. The capitalists demonstrated their gratitude for the massive state subsidies and reductions in taxes on profits by a massive de-

capitalisation programme and strike of investment. Thus the public sector contributed 15% to GDP in 1977 and 41% in 1980. This was in part due to some nationalisations but also due to the reduction in the GDP because of the sabotage by the bourgeois. The economy is thus functioning at 60% of capacity. This has been worsened by the accumulation of a massive foreign debt which by 1981 meant that 40% of all export earnings went to service it.

Following the overthrow of the Somoza dictatorship it is clear that a Marxist party would have encountered some problems in a small backward country like Nicaragua. However it has been made worse by the refusal of the Sandinista regime to take over the commanding heights of the economy and establish a centralised democratic state plan of production under democratic workers control and management. On the other hand they have reinforced the problems and strengthened the hand of US imperialism by a refusal to try and spread the revolution throughout Central and Southern America and establish a Socialist Federation of Central and Southern American States, which would be the only way to resolve the problems and develop a socialist society in a country such as Nicaragua.

Role of Moscow

The Sandinista leaders view the matter as 'a national affair'. Imperialism does not! Thus Tomas Borge declared on May Day 1982, "With the victory of the revolution a new phase begins. It is still necessary to unite the widest possible strata of Nicaraguan society to confront the common enemy of all Nicaraguans, which is US imperialism. This new phase, after victory, puts **the main emphasis on the defense of the nation, on the struggle to have our national sovereignty respected**, on the right of self-determination and the need to unite all Nicaraguan patriots to confront a huge and cruel enemy." All Marxists support the right to self determination and oppose the threat of US imperialism. Such tasks will not be accomplished, however, by refusing to appeal to the workers and exploited masses of North and South America. It will not be done by appealing to the national bourgeois who are supporting the Contras and destabilising the economy.

The question is clearly posed as to why the FSLN has refused to adopt the necessary measures and complete the revolution, albeit in a distorted way. As already explained, in part this was due to the entirely false understanding of the FSLN leadership in relation to the role of the national bourgeois. However this in itself is a reflection of the influence of the

Moscow bureaucracy which has played a decisive role in holding back the revolution. Indeed at a certain stage the Sandinistas leaders were preparing to abolish capitalism and landlordism, although in a distorted form, but the Stalinist bureaucracy held them back. The Stalinist bureaucracy in Moscow has completely abandoned any perspective for the world revolution - indeed, they fear its development. For the unfolding of the world revolution and the establishing of genuine workers' democracies would inevitably act as a pole of attraction to the workers in the Stalinist states. It would unleash convulsions, not heralding a return to capitalism but ushering in the **political revolution** and the restoration of workers' democracy in the USSR and its establishment in Eastern Europe, China and the other deformed workers' states. Such a process would mean the overthrow of the bureaucracy itself.

Therefore on a world scale they have sought to come to an agreement with the imperialist powers and have opposed any development of the revolution, even in a distorted form, which would upset the balance. They have thus striven to prevent the completion of the social revolution in Nicaragua because of the effect it would have throughout the area, substantially damaging the interests of US imperialism. The same process could be seen in relation to Cuba. Moscow's bureaucratic clique did not want the revolution. Moreover neither Che Guevara nor Fidel Castro had any perspective of a 'socialist' revolution prior to or when they came to power. They were compelled to carry through the social revolution because of the objective situation in which they found themselves, partly due to the pressure of the masses and also because of the blockade by US imperialism which controlled 90 per cent of the economy. The Stalinist bureaucracy were thus presented with an accomplished fact which they then had no alternative but to accept. Cuba was then 'brought into the fold' in order to manage and contain the situation.

The role of Moscow in holding back the Nicaraguan revolution can be clearly seen in the April 1985 visit by Ortega to Moscow to plead for arms and support to complete the revolution. He returned empty handed, save for US \$200 million which was exactly what he got from the EEC countries. The Kremlin above all else has been trying to maintain the 'balance' in the region. As the British journal the *Times* pointed out, "the Kremlin is not eager to become more closely drawn into a proxy war with the US in Central America". When a State of Emergency was declared in November 1984 to meet the threat of US intervention, the same journal reported, "... a small number of older model MIGS

allegedly destined for Nicaragua have remained in Cuba, embargoed by Dr. Castro." Such pressure has largely been carried out through the agency of Havana which has encouraged the Sandinistas to hold back the revolution. Speaking in Nicaragua on January 11th 1985, Castro endorsed the 'mixed economy': "Yesterday we had the opportunity to hear Comrade Daniel Ortega's speech, and I must congratulate him for it. It was serious and responsible. He explained the Sandinista Fronts' goals in every sector—for a mixed economy and political pluralism and even a foreign investment law... I know there is also room within your conception of a mixed economy. **You can have a capitalist economy.** What you undoubtedly will not have, and this is the most essential thing, is a Government at the service of the capitalists." Hardly a perspective for the socialist revolution!

Such comments clearly indicate the brake which the bureaucracies of Cuba and Moscow have placed upon the revolution. The Sandinista leaders have been prepared to accept it because unfortunately they have lacked an understanding about the character of the revolution and have no perspective or programme for the world revolution. Potentially their programme and methods will put in danger the revolution itself.

Perspectives for the revolution

The Nicaraguan revolution is under threat on two fronts. On the one side the prospects of US military intervention have been very real. On the other there has been the Contra war and attempts by the bourgeois to destabilise the Sandinistas with a perspective to overthrow them. Despite the refusal of the Sandinistas to nationalise the economy the bourgeois and US imperialism will not accept the continued existence of the Sandinista state. This 'halfway' position has lasted for more than seven years and may last longer still but it cannot go on indefinitely.

There have been two issues which have held US imperialism back from direct intervention. Firstly, the repercussions throughout Central and Southern America. Secondly, when faced with this prospect, the Sandinistas have assisted them by keeping the revolution in check.

Had US imperialism intervened it would have unleashed a massive movement throughout the continent. Massive demonstrations, in Brazil, Argentina, Chile, Peru, Bolivia etc would have taken place. American embassies would have been burnt to the ground along with US investments. In this sense it would have given an impetus to the revolution throughout the continent. For this reason they have held back. An intervention in

the long term would not have solved the problems of US imperialism. In the short term it would have snuffed out 'the example' which Nicaragua has given to the workers and youth throughout the Southern Americas. It is elementary that should the US intervene, as is a possibility, Marxism would fight against it explaining the policy, programme and most effective way to combat it. It would however, meet with tremendous resistance and in reality be an unwinnable war from the **long term** point of view. The *Times* correctly summed up the situation: "When 500 or so hard core Sandinista guerrillas overthrew the Somoza regime in Nicaragua, rusty pistols, shotguns and sport rifles were the most common weaponry in their makeshift arsenal. Their triumph over much better equipped forces of roughly equal size was an impressive testimony to what could be achieved by commitment and courage. And the worst mistake Washington could make, in its unrelenting campaign against the Sandinistas, is to think or doubt that the excited young people who last week were chanting 'No pasaran' are utterly committed to defending their country against even more intimidating odds."

The Sandinistas have over 150,000 under arms, including the militias which have been established. It would be a bloody fight, but once having decided upon such a course of action, US imperialism would have no choice but to see it through to a conclusion. It may mean mass bombings, for example like those which were carried out in Vietnam or Kampuchea where a staggering 10% of the population was wiped out. However, after a period, American forces would be successful in taking the cities. It would however be a pyrrhic victory. The youth would take to the countryside and the American army would be under permanent siege from the mass of the population, with no prospect of a definitive victory. Such a development would inevitably lead to demoralisation after a period. The initial support for the war which US imperialism would be able to engender would turn into its opposite after a period. In that sense a movement similar to that which unfolded around the Vietnam war would develop. The army within Nicaragua, with demoralisation, drug abuse, alcoholism etc would begin to disintegrate as it did in Vietnam. The withdrawal of the occupation forces would be posed and along with it defeat and a fresh victory for the Sandinistas and this time, after such an experience, the establishment of a regime similar to that in Cuba, with the completion of the social revolution, albeit in a distorted form.

US imperialism has seemingly pulled back from intervention at this stage, for fear of the consequences. However, US intervention is not the only danger fac-

ing the Nicaraguan revolution. The bourgeois hope that the support enjoyed by the Sandinistas will be eaten away by the frustrations and dissatisfaction which is developing because of the economic crisis and consequential shortages etc. With developing dissatisfaction, they then hope to split the Sandinistas, possibly using the Church around such figures as Bishop Obando and then bring sections of the Contras into the Government and in effect overturn the existing state apparatus and replace it with their own. The situation which has developed economically has certainly given the bourgeois some ground for developing such a perspective.

Given the support currently enjoyed by the Sandinistas, the Contras alone could not overthrow the regime. Recent reports have indicated a plummeting in the morale of the Contras. The recent injections of US aid will allow them to continue, but not seriously posing a direct challenge to the FSLN, who still enjoy the support of the majority of the masses within Nicaragua. According to Alfonso Robel of the right wing United Nicaraguan Opposition (a fraction of the Contras), of the 23,000 claimed members only 6-7,000 are active. In the South, ARDE (Democratic Revolutionary Alliance), is reduced to 3,000 fighters and further South the infamous FDN commander, El Negro, (The Black One), is down to a mere twenty fighters. The base of the Sandinistas must therefore be eaten away. This is one of the reasons the bourgeois has ensured that economic sabotage is most effective.

The measures they and US imperialism have taken have undoubtedly been effective. Coupled with the slump in world commodity prices the economy has been devastated, to a degree that would have been preventable had the Sandinistas taken over the commanding heights of the economy and instituted a democratic state plan of production. Living standards have fallen dramatically with the economy having its worst performance every year since 1984 when compared with the situation prior to 1979. Inflation now stands at 400%, higher than that ever recorded under the Somoza dictatorship. A massive black market has developed upon which it is now estimated that 130,000 earn their living directly. Unemployment is higher than under the Somoza dictatorship. This situation led to a spate of strikes and even food riots in Managua. As a result the government introduced a State of Emergency, under the cover of the threat of US intervention and banned all strikes, with government proclamations issued attacking the 'excesses' of the workers. The FSLN leadership point to the fact that they are compelled to spend 40% of the GNP on the military, to prepare for a US intervention. Marxism

would not criticise them for that. However, with a plan of production more resources would be available and with the creation of a genuine workers' democracy any sacrifices that were necessary would be accepted by the proletariat in the interests of **their government**, as for example was demonstrated in post revolutionary Russia.

In Nicaragua, already a certain scepticism is developing which is reflected in the FSLN journals and trade union publications. Letters asking 'why won't you listen to us?' have appeared. The Sandinistas still enjoy enormous support but dissent and even opposition are beginning to develop. The main reason it has not developed further is the threat of US intervention, which paradoxically has checked the development of more unrest against the inadequacies of the Sandinistas. However, such a situation cannot develop indefinitely.

The Miskito Indians

Some supporters of the FSLN argue that had they completed the social revolution it would have provoked an intervention by US imperialism. Yet all of the concessions given by the Sandinistas have in no way diminished the determination of imperialism to overthrow them. The experience of the Russian Revolution in this respect is essential for the international workers' movement. Twenty one armies from the imperial powers intervened to try and crush the revolution. They were fought back by the Red Army under Trotsky's leadership in no small measure because of the attitude of the Bolsheviks towards the world revolution. They went to the workers of Europe and appealed to the rank and file of the intervening armies in a class manner. By approaching the question in this manner they forced the withdrawal of the imperial powers after they had witnessed the soldiers lending their support to the revolution. Were the Sandinistas to adopt a Marxist approach to the revolution through the expropriation of the commanding heights of the economy, the spreading of the revolution throughout Central America and a class appeal to the American workers and soldiers, they would ensure the defeat of American Imperialism.

The un-Marxist approach of the Sandinista leadership has also been demonstrated in relation to the policy adopted towards the Miskito Indians which has cost the FSLN dearly in terms of support. Thousands of them could have been recruited as the most committed fighters against imperialism, had the FSLN been prepared to grant them autonomous rights as they were asking for. By doing so they could have gained the confidence of this section of the masses and then within the context of a

democratically planned socialist economy could have guaranteed them language and cultural rights, and integrated them into the revolution—in other words, by adopting the attitude of Lenin and Trotsky towards the national minorities. The failure to do so drove thousands into the arms of the counter-revolutionary Contras.

About 80,000 Indians live on the East Coast, mostly in the North East as virtually the sole inhabitants. The refusal to grant or offer any autonomy was then followed by enforced mass resettlement schemes. In 1982 10,000 were forced out of their villages along the Rio Coco by the Sandinistas, who believed a Contra base existed in the area. The Contras had won a certain basis amongst them by offering autonomy. The resettlement programme was carried through ruthlessly with no sensitivity at all. The Saklan village on the Rio Coco was typical. It had a population of 1,500. It was 'evacuated' and then burnt to the ground.

It is true that after having first hand experience of the Contras, many have abandoned them. According to one report 30,000 have returned to Nicaragua from Honduras and other bases being used by the Contras. It is nevertheless an indication of the mistaken methods and policies being adopted by the Sandinistas.

As we have explained in this article, the only way to defeat the threat of counter revolution is by the completion of the revolution, that is to say, the overthrow of capitalism and the establishment of a workers' democracy. Any delay will only give the bourgeois the opportunity to prepare and organise reaction. The establishment of a workers' democracy in a small country like Nicaragua will not immediately lead to a socialist society. This would be impossible given the scarcities and backwardness which exist and need to be overcome. To accomplish such a task the revolution of a socialist character would be necessary in at least a number of the advanced capitalist countries, or alternatively the political revolution in the Stalinist states. The victory of the working class in a small country like Nicaragua cannot complete the world revolution. It can however begin it. For the establishment of a workers' democracy in even a small country can detonate a movement and act as a pole of attraction in the more advanced countries of South America. And a victory in any one of these countries would change the entire international situation and herald the overthrow of capitalism and Stalinism. It is in this context that the crucial importance of the proletariat in such small countries adopting a Marxist programme, and the lessons of the Nicaraguan revolution, must be seen.

November 1986

Economic Notes

By Bob McKee

Prospects for the world economy

WHAT ARE the prospects for the world capitalist economy in 1987? This time last year, this column predicted a slowing of growth of production in the major capitalist nations, particularly the USA and Europe, with the danger of a major recession or slump.

A full scale collapse of production and trade has not materialised yet, but the major advanced capitalist economies continue their very sluggish growth. In the world's largest economy, the USA, industrial production stagnated throughout 1986, and began to decline into 1987. While consumer and government spending continued to race along in Reagan's money boom economy, domestic industry was unable to meet this demand, being swamped by the continued flood of cheaper German, Japanese, Canadian and Asian imports.

As a result the US trade deficit reached over \$170 billion in 1986. The US economy can no longer go

on financing this deficit by attracting Japanese and European investment funds with high interest rates without plunging into serious recession. But the alternative policy of devaluing the dollar to make US industrial exports more competitive has so far failed. This is because while the dollar has fallen against Japanese and German currencies, they are not the most important markets for US goods, constituting only 15 per cent of its export markets. Canada, Latin America and the semi-industrialised Asian countries of South Korea, Taiwan, Singapore and Hong Kong, account for over half of US exports. And in these countries the dollar has actually increased in value!

Protectionism

The other hope of the US capitalists was that as they tightened their workers belts by government spending cuts, they could expand markets for their industries by forcing Europe and Japan to expand their economies and provide new markets for

US goods. But that has not proved easy. Europe remains in relative stagnation with growth at around 2.5 per cent and unlikely to rise above that over the next year. Each European nation, fearful of inflation, refuses to fuel their economy with too much government spending, while hoping that their rivals will expand so that the slower spending nation can take advantage of the others' markets for their exports.

Similarly, it is estimated that for the USA to reduce its massive \$170 billion trade deficit by a modest \$30 billion over five years, the US economy would have to grow at half the rate of Europe. That is the prospect of deep recession swaying before US capitalism. And a recession in the USA must hit economies like the UK for whom the Americans are the biggest single export market.

Nevertheless, many economic forecasters predict a slightly improved growth rate for the advanced capitalist nations in 1987. They base this prediction on the fall in oil prices reducing costs for in-

dustry and on renewed protectionist measures against Asian and Japanese imports, so that Europe and the USA can expand their exports. Growth for advanced capitalism in 1987 is to be at the expense of the developing countries, particularly those with oil or with industries. However, once the juggernaut of protection gains a grip, then every nation may retaliate against the other and so lower world trade overall, driving down production.

USA GNP

It must always be remembered that the economic upturn of 1982-6 has been one of the weakest in the history of post war capitalism. The USA has been the leader in this revival, fuelled by military spending and foreign borrowing. But between 1978 and 1986 real GNP has risen by only 2.4 per cent per year on average, well below its historical average of 3.5 per cent, making the last eight years the longest period of *relative* economic stagnation since the 1930s!

Prospects for the third world

The economic future of the ex-colonial countries, dominated by the banks and multinationals of the advanced imperialist economies looks grimmer, if that is possible! The dramatic drop in oil prices has had shocking effects on the Arab oil states who have been forced to cut back drastically on social and development spending (while naturally preserving military spending to maintain their absolutist regimes). Countries like Nigeria have been driven into mountainous debt burdens that threaten the very fabric of their economies.

Take 'oil rich' Mexico, under the shadow of American imperialism. In 1986 its GNP fell by 4 per cent, one of the largest declines for decades. Real wages have fallen 40-50 per cent since 1982, back to the level of 20 years ago. Inflation is now at 100 per cent a year, and unemployment on official figures at 14 per cent (much higher in reality). Government spending, in a desperate attempt to maintain markets, has spiralled out of control. Borrowing from foreign banks has reached such proportions that new loans are just used to pay off debt and interest repayments for old loans. Now even the US banks are reluctant to lend anything further and yet if they do not, Mexico may be forced to declare itself

bankrupt and default on the loans. The burden of debt repayment has sucked out wealth created in the countries of Latin America and for those who depend on high oil price exports to pay off their debts, a catastrophe is on the agenda.

And it is not just in the oil producing countries. Until recently, Brazil was held up as the model economy of the third world. An export boom, made possible by US economic expansion, had lifted off the economy. Inflation dropped, wages went ahead and debts were repaid. But now the situation has sharply reversed. The US capitalists are cutting back on Brazilian goods, profits from industry and agriculture have been taken out by the multinationals and yet the banks continue

to demand the repayment of their loans. Now the new Brazilian civilian capitalist government has introduced a vicious austerity programme, just days after being elected on promises of new social spending! And with the advanced capitalist nations planning more protectionist quotas on Brazilian goods, the future is bleak.

The continuing danger is that a number of key third world borrowers may default on their repayment throwing several important international banks into bankruptcy. They could only be bailed out by government support at the expense of capitalists and workers in the advanced nations, again opening up the possibility of a steep cutback in production and trade.

Science Report

By Pete Dickenson

Aids, biological warfare and the CIA

AIDS IS not bad news for everybody: the share price of two pharmaceutical giants has shot ahead as the disease has spread. The value of shares in the company, Wellcome, has bounded up by a third on the strength of their involvement in the drug AZT.

There are now 565 reported cases in Britain but it is estimated that 30,000 people are carrying the virus. The scale of the problem in other parts of the world could lead to potential catastrophe. 9,000 are expected to die of the disease in the USA this year with another 1.5 million infected with the virus.

The spread of Aids in the underdeveloped world has been virtually ignored by the capitalist West. In Uganda, a consultant for the World Health Organisation has estimated that 30 per cent of the population has contracted the virus, equally divided between men and women.

Medical uncertainty

The response of the government in this country has been belated, inadequate and hypocritical. They were happy to do nothing when Aids was sweeping through Africa and appeared only to affect homosexuals here. When the problem could be ignored no longer they have opportunistically whipped up a campaign against 'the permissive society', fitting it in with their reactionary campaign for a return to Victorian values.

Aids stands for Acquired Immune Deficiency Syndrome and is caused by a virus which infects a single type of white blood cell, called T4 lymphocyte. Aids is a sexually transmitted disease where the virus is passed on

mainly through blood and semen. The effect of the virus can be dormant for five to seven years before it is triggered into activity, possibly by stress, poor health or drugs. At this point the immune defence of the body collapses because the antibody produced by the body to fight the infection is ineffective.

This makes the individual susceptible to various forms of cancer, pneumonia and general infections which would normally be no threat.

It is still not certain what percentage of people infected with the virus will eventually get the symptoms of Aids. Initially it was thought that the figure could be as low as 10 per cent, but more recent research has indicated that 75 per cent could be at risk.

So far no cure for Aids has been found. There has been a promising development recently when it was found that the anti-cancer drug AZT was also effective against Aids. This however is not a cure, since it does not eliminate the virus, but it appears to relieve the symptoms. There are serious side effects however.

What is needed now is an enormous research programme to develop a vaccine. The demand for the nationalisation of the drug companies is even more crucial now; the battle against Aids can't be left to the profit hungry monopolies, a massive properly coordinated research campaign must be launched immediately. By its nature this will mean an intensive trial and error operation which if done quickly could give a real possibility of finding a cure. The £20 million spent so far on advertising is insignificant compared to the amount that needs to be channelled into basic research. Even this money would be negligible compared to the expenditure on Trident missiles.

Scientists are not certain



where the virus originated. There have been persistent press reports that it is man made, produced by genetic engineering techniques in a CIA laboratory. The *Sunday Express* reported that the virus had been produced at Fort Detrick in Maryland in Building 550. There is of course no way of verifying this story, but the leading Harley Street specialist Dr John Seale has put forward the theory that the virus was man made.

A man-made virus?

It is undoubtedly true that biological and chemical warfare establishments, East and West, are working on the production of potentially lethal viruses and it is quite possible that one leaked out accidentally. During the Second World War experiments were done on a remote island off the coast of Scotland to test the effectiveness of using the Anthrax bacillus in biological warfare. Small bombs containing the germ were detonated and the effect was observed on sheep tethered at various distances from where the bomb was dropped. Within a few days the first sheep had died from Anthrax. A survey by the Chemical Defence Establishment at Porton Down in 1979 showed that the area is still contaminated with virulent micro-organisms.

The Biological Weapons Convention, signed by all the

main powers in 1972, was supposed to outlaw biological warfare. In reality, the clauses permitting defensive measures to be taken made a mockery of the Treaty. For example, developing new strains of mosquito to carry deadly diseases is permissible as long as only the males are used, because they don't bite and are not therefore classed as offensive weapons! The head of a US funded research centre was expelled from Pakistan in 1982 amid allegations that research was being done on the use of mosquitos in germ warfare.

In the past ten years the emphasis has moved to producing deadly viruses in the laboratory using genetic engineering techniques. According to Dr Richard Goldstein of Harvard Medical School, quoted in *Nature* in 1982, scientists have been asked by the US military about using these genetic engineering or 'cloning' techniques to produce biological warfare agents.

The US Army has applied for the money to build a new biological warfare test facility at Dugway in Utah. The plans call for the site to have the capability to do cloning experiments on virulent agents, although they are testing the effectiveness of protective suits. But to do this means producing the deadly viruses to use in the experiment, 'in substantial volumes' according to their own request. There would,

of course, be nothing to stop the stockpiles being used for offensive purposes at some time in the future.

The production of a virus, such as Aids, which breaks down the immune defences of the body would inevitably be of great interest in biological warfare because of its enormous destructive power. Research into it could be easily justified on defensive grounds.

Even if the allegations about Aids are not true, the spread of the virus gives a glimpse of the horrors of biological warfare which, in its own way, could be as bad as nuclear war.

Destroying the environment in Russia

THE DESTRUCTION of the environment in the Ukraine after the Chernobyl disaster is the most shocking example of preventable damage to nature in the Soviet Union, but it is only the tip of the iceberg. A book* written secretly by a disaffected high official and smuggled out of the country has revealed a criminal and wanton disregard by the bureaucracy, not only of the environment, but of all aspects of health and safety of workers.

Pollution

The truth of a book like this, by its nature, cannot be positively proved, but the wealth of scientific detail and the obvious close involvement of the author in many of the events described, make it a convincing document. It reveals the huge gap between the protection theoretically provided by the law in health, safety and environmental questions and the reality, as is the case in other aspects of life under Stalinism.

As the author correctly states, the existence of a plan of production should mean that Russia is in the forefront of health, safety and environmental protec-



tion. The reality is totally divorced from the hypocritical claims of the Kremlin to lead the world in this area.

In the large city of Donetsk, in the mining region of the South, lung cancer rates among the general population (not miners) are 300 per cent above average due to air pollution. In Leninogorsk, a city of 100,000 in Kazakstan, the concentration of lead in the air has been measured at 440 times the maximum permissible level. There is a well established link between lead concentration and brain damage in children. Dozens of similar cases of air pollution are reported in the book.

The magazine *Sanitation and Health* reported that 50 per cent of the male population of Tatarsk in Siberia suffered from impotence due to the high levels of the metal boron in the water supply.

The blustering and demagoguery of the top leaders make matters worse. Khrushchev's campaign to drain 10 million hectares (about 30,000 square miles) of swampland to make agriculture more productive was a disaster. The project consumed enormous resources but all the experts involved knew it would result in turning the swamps, not into productive agricultural land, but into deserts due to soil erosion. No-one dared contradict the

Great Leader with the result that it is now estimated that over one million square miles have undergone soil erosion, which represents nearly half of all agricultural land.

The rapacious life style of the bureaucracy is threatening rare species of wild animals due to the large hunting expeditions which are very popular with the top brass. Marshall Batitskii, commander of the strategic missile forces, organised a hunt of polar bears in 1976. The odds were heavily stacked in the Marshall's favour since he was firing with a machine gun from a specifically converted helicopter. Not to be outdone, some of his subordinates stationed near Lake Baikal in the far east decided to make absolutely sure of success in their battle with the wild by employing heat seeking ground to ground guided missiles. Tally Ho!

Bureaucratic misrule

The analysis of the author on the measures needed to rectify the situation is interesting. At one point he says: "the inability of our economy to realise its scientific potential is just as much a cause of the degradation of nature as the poor productivity of collective farm agriculture". He goes on to say that scientific advance

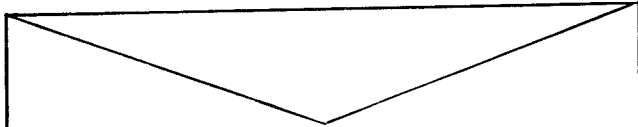
can only be achieved under certain social conditions and concludes: "Wherever one traces the thread of ecology it always leads deep into the social and economic structure of society".

By this he makes it clear that he means the role in society played by the bureaucracy who don't suffer from the same ecological and pollution problems as the overwhelming majority of the population. For this reason he thinks there is little chance of reform in the ruling caste.

At this point his analysis stops, leaving it in mid-air. In fact, bad health and safety conditions and the destruction of the environment are inevitable consequences of bureaucratic misrule. The logical conclusion, having denied the possibility of reform, is to advocate the political revolution itself, as Marxists do, as the only way to solve the problems of society.

The author was not prepared to take this step which would conflict with his own position at the top of the Stalinist apparatus. Despite this the book is a damning indictment of the criminal role of the bureaucracy in systematically poisoning the population.

* *The Destruction of Nature in the Soviet Union* by Boris Komarov (a pseudonym). Pluto Press.



LETTERS

Send letters to *MIR*, 3 - 13 Hepscoot Road, London E9 5HB. The views expressed here do not necessarily reflect the ideas of the Editorial Board. We reserve the right to shorten excessively long letters.

Science, society and the history of scientific theories

Dear Comrades,

Regarding your article in *MIR* 33 on Lysenkoism which I read recently. I found no disagreement with its general tone but would like to take this opportunity to question some of the statements concerning the methodology of science and its relationship to society (of interest to me as a Marxist and a scientist). Today scientists enjoy unrivaled endorsement as honest and objective workers, due to admiration of the twin tools of logic and scientific method. Big business abuses this in order to give credence to their marketing, portraying themselves as having our interests at heart. Similarly the state dresses up coercion and racism with its paid advisors and experts. Therefore it is a highly important question as to how we approach science and how we regard scientific data.

I can not see why on the one hand you contend science to be the hand maiden of the bourgeois but hold to the objectivity of scientific data although theories are allowed subjective (economic?) intervention. For example, pure water boils at 100 degrees celsius at normal atmospheric pressure. But the boiling point of water is not fixed, it changes with atmospheric pressure and relative purity. Such a value is merely an approximate standard by which to measure temperature. The dialectics of Mendelism are not unique, nothing is truly fixed or immutable—that is not

mysticism but the nature of things. We actively fix the criteria by which all things are judged in order to quantify and make predictions on events. These criteria are flexible.

Therefore all measurements are judged by fixed standards which are open to social intervention. Another point is the methodology of experiments which determines the results obtained. Firstly it must be remembered that we have only our perception of the world to act upon and the nature of the real world is only revealed by the success with which we relate to it eg the productivity of our exploitation of nature. The observation of an organism or event requires intervention and the limitation of all variables, except the one being observed, to within reasonable limits. The more narrow the confines of the experiment then the less accurate is our generalisation and application of the results to the real world. The reduction of the whole to smaller points to make study easier isolates each point. In fact the sum of all the points is more than the whole.

It is clear then that we obtain by study an approximation of reality, quantified, classified and suitable to test and base predictions upon. Its success is judged by the accuracy of these predictions and the consequent increases in the productivity or profitability of the exploitation of the environment.

Science is a pretty dull

Question on Lysenko article

Dear Comrades,

May I congratulate you on the much improved *MIR*. Not only is the layout, printing and illustration better, but the whole journal seems to have taken on a lively, fresh approach, and every time I finish reading it I wait impatiently for the next issue.

The whole journal stands as a testament to the editors, and the comrades concerned with its publication, and their attempts to overcome all the problems in providing workers and youth with a clear and concise theoretical insight into the struggles of the past, and those that loom in the future.

I am particularly impressed with the "Science and Socialism" articles. I have always been very interested in the sciences, although I have no academic qualifications, and have always sought to improve my knowledge on them.

It is in conjunction with my interest with science that I am writing this letter. I have always been completely baffled by astronomy, and the laws and theories of gravity, and I was wondering whether it was possible, or even practical, for

Pete Dickenson (perhaps this isn't his field) to write an article on this subject. If this isn't possible could he point me in the direction of a few decent books on it.

I have just read a book, *Einstein's Universe* by Nigel Calder, that didn't help me at all. In fact it posed more questions than it answered. It describes itself as "a laymans guide to the universe" but it is anything but.

The latest article in "Science and Socialism" on Lysenko is very good, but I did feel that the passage after the sub-heading "Theories of Evolution and Genetics" presupposed comrades having a background knowledge in advance of reading it, and, therefore, made it more difficult to understand. For example, what does the sentence "Chromosomes are arrays of many genes" mean?

With that slight criticism aside, congratulations. I am confident that the *MIR* will go from strength to strength, and continue to develop.

Fraternally
Kevin Churchill
Derby

business most of the time. It is the routine collection of facts using a preconceived methodology and drawing upon a sum of knowledge which is deemed to be true. This plods on until there is a major overhaul characterised by the advent of deep divisions and massive amounts of new material—which not only adds to the present sum of knowledge but makes much of the previous obsolete. Such revolutions in scientific thought occur only rarely eg Darwinism, Molecular biology, nuclear physics etc and then not merely as a result of the genius of particular individuals..

In summary the ruling or predominant class fund science and as such operate control of the direction of research (as you said). This means it is their patronage which can bring about a ma-

jor change in the sum of knowledge etc drawn upon whilst practising 'normal' science (a revolution according to Kuhn). Therefore the criteria by which a new theory is judged is the sum of knowledge found acceptable, **except in a revolutionary change of policy.** In this case pressure from extreme social or technical change etc along with the increasing limits met using the old theory can become the prime motivation for change.

Following the French revolution radical scientists, like Lamarck, were the first to question the stranglehold of Genesis on biology. Major social upheavals inflict psychological and cultural changes that can not help but effect scientific work. Therefore such a change as you describe ie greater contact with the proletariat, lessening

PETE DICKENSON AND VIV SEAL COMMENT:

There are no immediate plans to write an article on astronomy so we will recommend a few books which cover a range of assumed background knowledge:

1) *Astronomy Today* by Fred Hoyle, published by Heineman.

2) *The fabric of the Heavens* by Toulmin and Goodfield, published by Penguin.

3) *Einstein for Beginners* by Schwartz and McGuiness, published by Writers and Readers, Beginners books.

The book by Toulmin and Goodfield has a chapter on celestial mechanics, taking up the laws and theory of gravity. *Einstein for Beginners* is in a cartoon form, which some people find useful. The book by Fred Hoyle is up to date and covers most of the latest developments. Also, John Gribbin has written a number of popular paperbacks on astronomy.

The section on genetics in the Lysenko article does need very careful study. There is a difficulty in explaining complicated scientific ideas without using technical terms which assume a background

knowledge of the subject. We try to avoid using such terms wherever possible but sometimes they must be used and where they are we try to explain them in as condensed a way as possible in the interests of space and the flow of the argument. The section on genetics in the Lysenko article is very condensed and needs to be read very carefully, possibly more than once.

On your particular point on genes and chromosomes, there are 48 chromosomes in each living cell. Each one is different in size and consists of an extremely slender long filament coil in a tight helical spiral. Under magnification it can be seen that each chromosome comprises hundreds of thousands of separate genetic elements, called genes, each of which has a fixed place in the length of the chromosome and plays its own special role in the development process.

It is the genetic material which determines the nature of the cells in the next generation, and which ensures replication of the correct structures and combination of cells.

of expertise barriers etc would dramatically alter science for the better and we should not be afraid to say it. For too long science has had its own way. Because they control knowledge (and jealously guard it) scientists claim privileges and an autonomy which few enjoy and which too few don't question. The present system exploits animals, humans and nature, produces a poor return on its investment and is disproportionately white, male and middle class. The coming revolution by orientating science to the interests of the toilers, must improve it with fresh life blood, must throw open the locked doors of the libraries and fellowships to all and harness its resources in our interests. Then, and only then, shall we be able to say that science deserves the regard due to it—the regard suitable to

the force that shall free the toilers from the oppression of labour and disease.

Yours in comradeship
Frank Wood BSC

Some of the points raised in the letter, particularly on the methodology of science, the history of scientific theories and the nature of perception, will be dealt with in future editions of the *MIR* — Editors.

Back issues of the *MIR* with articles on science are available from World Socialist Books, London E9 5HB, including: *An appraisal of Engel's theory of human development* by John Pickard, *MIR* 26, 75p.

Famine, 'the divine hand of providence'?, by Jim Hensman, *MIR* 29, 80p.

The Lysenko controversy, by Viv Seal, *MIR* 33, 90p.

Selling the *MIR*

Dear Comrades,

I have been an avid reader of the *MIR* for some years and must confess that I have not taken the sales of the journal particularly seriously in the past.

With the arrival of the latest edition I decided I would put my mind to selling it—and was pleasantly surprised with the results. I approached regular paper sales, including a former regular reader I bumped into in the pub—and to my surprise sold 9 plus my own. I haven't exhausted all the possibilities yet!

Readers shouldn't think that because it is a large publication and costs 90p that people won't buy it. Anyone who buys the *Militant* should be approached. There are plenty of people who want to find out more about *Militant's*

ideas, especially with all the publicity the witch-hunt has created. The *MIR* provides the opportunity to carry a more in depth theoretical analysis than a 16 page weekly paper can. This creates a market for the journal.

There has never been more need for a comprehensive theoretical analysis of political events and we badly need to increase the sales of the *MIR* so we can increase its financial viability and frequency.

I don't believe there is anything particularly special about the people I sell to and if a systematic approach is adopted everyone can greatly increase their sales.

Yours fraternally

Clive Walder

Brighton Kempdown

Labour Party

What happened at Chernobyl?

Dear Comrades,

I very much enjoy reading the *MIR*, particularly Science and Socialism, and Science Reports. Articles like these show how broad a Marxist outlook on life is. I am however a bit puzzled by some points mentioned in your article on Chernobyl in *MIR* 33.

On positive feedback, I understand that unlike chemical reactors, nuclear reactors are not affected by temperature changes of a few hundred degrees or so. The nuclear force is much stronger than the electro-magnetic force. I do not understand how the increase in steam in the core can accelerate the nuclear reaction.

In a nuclear reactor in a power station, neutrons bombard unstable Uranium 235 atoms causing them to decay and producing more neutrons which may or may not bombard other Uranium atoms. The neutron supply in this chain reaction is crucial to the course of nuclear reaction.

In a small mass of Uranium, most neutrons escape and only a few are captured to propagate the chain. Above a certain critical mass, however, sufficient neutrons

are captured by other atoms to cause a build up of neutrons, thus an acceleration of reaction occurs. It must be remembered at each stage that energy is released because the mass of the radiation products is less than the original mass—mass becomes energy. If this acceleration goes unchecked then a thermonuclear explosion results—an atom bomb.

In the reactor, the neutron supply is regulated in two ways:

1) The ejected neutrons may be too fast to be captured by other Uranium atoms. Graphite is used as a moderator to slow down these neutrons to facilitate their capture and thus their subsequent reaction. The moderator does this but does not moderate the reaction as you have said.
2) Surplus neutrons are absorbed in a reaction that does not regenerate them. Boron or Cadmium rods are inserted in the pile for this purpose.

In addition to the nuclear reactors, several dangerous chemical reactions can occur as a result of the very restrictive materials and high temperatures. These may well disrupt supposed safety

measures. Steam reacts with hot graphite and Uranium to produce Hydrogen which is of course flammable. Graphite and Uranium may both catch fire—the latter producing an uncontrollable smoke of radioactive Uranium Oxides. And so on.

I would also like to know what an RBMK reactor is.

The whole nuclear question shows clearly that technology and science are limited to class interests and society in general, and to get the best benefits from these for all entails a change of society.

I look forward to clarification on these points in a future issue and hope that there will be more articles on science in future *MIR*'s.

Yours fraternally
Colin Toogood

PETE DICKENSON REPLIES:

The water which circulates past the reactor core not only carries away heat but absorbs neutrons. When the accident occurred the water was replaced by steam, which can absorb fewer neutrons, and this caused a sudden increase in reactivity (speed of the nuclear reaction). This in turn generated more heat and therefore more steam and so on. (See *Nature* on 4 September 1986 for a detailed account of the IAEA post mortem on Chernobyl).

I am puzzled by your comment that in my article I incorrectly described the action of the moderator in the RBMK reactor, since I did not attempt to do this. I only gave the briefest mention of the moderator, trying in one sentence to give an indication of its general role. I think it would be wrong to go into more technical detail than this because only a small minority of readers would have enough background knowledge to understand.

Nevertheless, your description is very clear and many comrades, I'm sure, will find it interesting. For a description of the RBMK reactor see the issue of *Nature* mentioned above.

Hungary '56: Power in workers hands

THE ARTICLE on the inspiring events of Hungary 1956 underlined their importance for Marxists today. The revolution went further than in any of the other uprisings in post war Eastern Europe and is the best indicator we have of the course of the political revolution which will sweep away the parasitic bureaucracy in these countries.

Immediately the workers moved into action the bureaucrats were powerless, suspended in mid-air. Power was in the hands of the workers.

The initial demands were raised by intellectuals; they were moderate in tone and many of them (for greater national independence etc) were not in principle unacceptable to the Hungarian bureaucracy. Initially the Yugoslav bureaucracy supported the movement and opposed the first Russian invasion seeing a potential ally in pursuing its national interest and avoiding Russian domination.

Resentment of national oppression was undoubtedly an important element in the revolution but the workers put their own stamp on events and their own organisations, the spontaneously created Workers' Councils, took real power. Even the bourgeois politician and eyewitness, Herbert Ripka, observed: "There were no governmental directions or any central leadership... Workers' Councils took over the management of the factories, and they became the living organs of a rising democracy and the effective instruments of a fighting revolution." The official UN report said that: "The Workers' Councils emerged from the revolution as the only organs commanding the support of the overwhelming majority of the public."

Jozef Kovago, Secretary General of the Peasant Party in 1956, writing as an American academic in the

'70s, confirmed the strength of the desire for democracy—"a Titoist solution was unacceptable to the mass of the population"—and admits that the reason that his Party failed to call for denationalisation was not just a 'tactical manoeuvre' to avoid aggravating the Russians: "The truth is also that the nationalisation of large industries had been accepted by the majority of the population as the natural cure for the ills of the past." Hundreds of thousands approved the slogan: "We won't give back the land or the factories." Power was flowing towards the Workers' Councils.

If such ideas spread, they would be just as much a threat to the privilege and position of the Yugoslav bureaucracy as well as Russia. Thus, once the direction of events had become clear, the Yugoslavs supported the second Russian invasion (China performed a similar somersault).

Bela Kiraly, the freedom fighters Chief of Staff, has commented on the second invasion: "There existed no domestic forces that could have toppled the regime... I have no shadow of doubt that after 1 November the USSR was at war with the democratic socialist state of Hungary." In other words, the Kadar regime of bureaucratic counter revolution was installed by force of Russian arms and could find no remaining base within Hungarian society.

The second invasion brought the regime of Imre Nagy to an end. He had been more of a figurehead than a leader of the masses. The record of the Miskolc council illustrates this. They supported Nagy as head of the government but organised a militia when he called for workers to hand back their arms and censored him when he brought leaders of the Peasant Party into the government.

The initiative and importance of the Workers' Coun-

cils was even more sharply revealed after the defeat of the armed resistance when Nagy fell and Kadar took control of all the official institutions of state power. There was a massive general strike against which the new government was impotent. Kadar was forced to recognise, in words, the role of the Councils and both he, and even the Russian forces, held negotiations with them.

On 27 November the Central Workers' Council passed a statement: "We protest against the arguments of the recently constituted 'trade unions' according to which the Workers' Councils should be organisations having purely economic functions. We can categorically state that the real interests of the working class in Hungary are represented by the Workers' Councils, and that in addition there is no stronger political power than theirs." On 6 December plans were made to create a National Workers' Council with a permanent presidium, secretariat and committee structure. In addition a workers' parliament, composed of Workers' Councils across the country was to be formed. It was only after an extended period of repression that the Councils were stamped out.

Although none of the witnesses quoted above were Trotskyists, it is possible from their accounts to make out the outline of the political revolution foretold by Trotsky. A revolution carried through, not by enlightened bureaucrats, but by the workers, renewing the traditions of 1917. If this much was possible in a couple of months without a conscious revolutionary party, what would have been possible with such a group to accelerate the process and clarify demands, particularly with respect to international solidarity.

Yours fraternally
Paul Kershaw
London

Bob McKee examines a recent pamphlet by socialist economist Andrew Glyn and concludes that it is only the Campaign Group of Labour MP's, the pamphlet's publishers, who still defend the ideas of the 'Alternative Economic Strategy'.

A Million Jobs A Year—Reviving the AES

In 1985 the Campaign Group of Labour MPs published a short pamphlet entitled *A Million Jobs a Year—the case for planning full employment*. This pamphlet was written by Andrew Glyn, a socialist economist active in the labour movement, and in the past a regular contributor to the pages of the *Militant* newspaper and its publications. The pamphlet had a foreword from Tony Benn MP and received the signed endorsement of most of the Campaign Group, although not all.

This pamphlet clearly represents the basic views of what the media calls the 'hard left' in the Parliamentary Labour Party. The fact that it was not endorsed by even all the Campaign Group, let alone the bulk of Labour MPs, demonstrates that the policies put forward in it are too radical for Labour's leaders and for many Labour lefts. However Andrew Glyn's arguments expressed in the pamphlet must be seriously considered by Marxists in the labour movement for two reasons.

Firstly, while they may not be supported by the Labour leaders, the ideas in *A Million Jobs a Year* would almost certainly gain majority support among the rank and file activists in the labour movement. For that reason alone the pamphlet deserves careful consideration.

Keynesianism

But there is an even more important reason to examine the arguments presented in the pamphlet. In the late 1970's and early 1980's the general economic thinking in the labour movement coalesced around a set of proposals called the 'Alternative Economic Strategy'. The AES had wide support despite its several interpretations within the Labour Party. Since the 1983 election, however, the AES is no longer talked about and its basic policy measures have generally been jettisoned by Kinnock and the 'realigned' or 'soft left'. Anybody who reads the Campaign Group pamphlet will find that it is only in that group in the whole labour movement that the 'Alternative Economic Strategy' is preserved.

The Marxists in the labour movement always opposed the reasoning behind and the policy conclusions reached by the proponents of the AES, and this article will explain why. Unfortunately any analysis of the Campaign Group pamphlet will not only show its reliance on the fatal flaws of the policies of the

'Alternative Economic Strategy'. It will also reveal how far Andrew Glyn, formerly a vociferous and effective Marxist opponent of this set of reformist economic policies, has drifted towards accepting them.

Andrew Glyn's opening line is "there can be no dispute that the most fundamental economic and political problem facing the next Labour government will be tackling mass unemployment" (p 1). While that is true, it would be more accurate to say that the fundamental problem is the crisis of production in the private profit capitalist system, a symptom of which is mass unemployment.

No matter, for Glyn outlines the shocking waste of resources when workers and plant are idle. He estimates that the extra production that could be created by putting the unemployed to work would be equivalent to "a trebling of council house building, a doubling of manufacturing investment, plus a 50 per cent increase in pensions and in government spending on health and education."

We know only too well that the Tory government has made no effort to create jobs in the economy. On the contrary it has used the rising unemployment totals as a weapon to beat down those in work to accept a reduction in trade union rights, poorer conditions and lower wage rises. More recently rather than reduce the jobless, it has resorted to reducing the jobless statistics by fake employment programmes and a campaign of intimidation against the rights of claimants.

But it would be rather one-sided to suggest, as Andrew Glyn does in *A Million Jobs a Year*, that the only reason the Tories under Thatcher have dispensed with previously supported Keynesian policies of state spending is because they want to secure "social discipline" over the working class. A much more powerful reason has been that the Keynesian policies of state spending and cheap money have miserably failed to maintain the profitability of British capitalism. Profit rates fell throughout the 1970's and British production and productivity rates have declined with each successive recession (1970, 1974, 1979). Keynesian policies were not working for the profit system and would not work if re-introduced.

The last point is emphasised because beneath much of the radical talk of the proponents of the 'Alternative

Economic Strategy', and it is echoed in the Campaign Group pamphlet, is the belief that expansion of public spending under capitalism can right the economy.

Now it is true that Andrew Glyn wishes to disassociate himself from that Keynesian argument. But he does that by redefining Keynesianism to be a policy of expansion "which is not accompanied by such controls at the level of industry and economy as are necessary to secure success." (p 17) This seems to be a distortion of the essence of Keynesianism which is that an increase in 'effective demand' is all that is needed to provide a market for capitalist investment and production. And that 'demand' can be created by increased government spending, whether with controls over capitalists or not.

This is something that Marxism would not accept. Expanding markets are not enough to bring production and employment while production is for profit and not need and decisions about investment are made by the owners of capital, however 'controlled'. But the fundamental thesis of the Glyn pamphlet, as it was for the proponents of the Alternative Economic Strategy in all its variants, is that expansion under capitalism is possible "on the basis of extensive controls over foreign exchange transactions, over the financial system, over prices, over trade and over investment and employment in the private sector" (*A Million Jobs a Year* p 29). In this sense, the Campaign Group pamphlet is Keynesian not socialist economics.

'Controlled capitalism'

On the other hand, socialists have always stood by the tenet that the anarchic and wasteful private profit system must be replaced by a planned economy under workers' control and management, if production is to go ahead smoothly and if employment, wages and social needs are to be met. Planning cannot be successfully implemented without control of the economy. The question is can effective control over the economy be achieved by a Labour government (or perhaps more precisely, by the working class) without public ownership of the major financial and industrial companies that presently dominate it?

The Campaign Group pamphlet argues that the economy can be plann-



Well heeled bosses join workers demonstration against hosiery and textile imports in 1980. Andrew Glyn was clear then that import controls are "nationalistic—an attempt to preserve the interests of the 'British nation', workers and capitalists alike."

ed without public ownership through a system of controls. But it is a dangerous illusion to imagine that a Labour government can 'control' capitalism and still meet the demands of the working class. Only the elimination of capitalism can do that. And in refuting the views of *A Million Jobs a Year* we can refer to Andrew Glyn's own arguments **against** 'controls' and **for** public ownership which he so ably expressed in his previous *Militant* pamphlet *Capitalist crisis: Tribune's 'Alternative Economic Strategy' or a Socialist Plan* written in 1978.

One of the arguments used in favour of controls in the Campaign Group pamphlet is the historical precedents of 1938-42 and 1945-8. Then, Glyn explains, one million jobs a year were created and this was made possible because controls were imposed on interest rates, prices, trade and investment by the government and adhered to by the capitalist class. As a result the government could expand public spending in 1938-42 to create jobs in the armed forces and in 1945-8 in industry.

But, as Glyn himself admits, "radical and rapid shifts in employment can be achieved" depending on "the political situation and whose interests are being served, ie whether those with decisive economic power more or less enthusiastically support the objective (as in 1939), reluctantly acquiesce (1945 perhaps) or bitterly oppose (1987?)" *A Million Jobs a Year* p12.

Exactly! Controls over capitalist economic decision-making can only work with their agreement and that agreement is only given if it is in their interests and as soon as it is not, the agreement is broken. Even during the 1939-45 war some capitalist companies in the USA, such as ITT, secretly continued sustaining trade and investment with German subsidiaries. Legislation to isolate Rhodesia introduced by the Wilson government and supported by the Heath government was flagrantly flouted by capitalist firms, particularly the oil and armaments companies. And as Andrew Glyn pointed out in his *Militant* pamphlet, *Capitalist Crisis*, there was over £2,000 million of illegal export of capital under the post-war Labour government between 1946-8—now cited by him as a period of successful controls!

Exchange controls

And Glyn's somewhat tentative 1940's historical precedent for creating capitalist production and jobs through controls is not nearly so significant as the experience of the French socialist government which Glyn himself cites. For the lessons of that government are that even extensive controls do not allow a socialist government to plan the economy in the interests of the working class. Quoting

the Campaign Group pamphlet: "as imports were sucked in, the balance of payments deteriorated and pressure on the franc increased **despite tightening of exchange controls**" (my emphasis) . . . "control over the nationalised banking system did not guarantee an expansion of investment by the private sector or control over capital movements" . . . "control over a number of industrial commanding heights (over half of industrial employment in firms of over 2,000 workers was now in the public sector) did not generate expansion." p9

The key to the cooperation of the capitalist class in any government controls on their activities is: will they increase profitability? During the war of 1939-45 profits did increase dramatically, and anyway the very existence of British capitalist markets was at stake. The programme of controls and even nationalisation by the Labour government 1945-50 was not opposed by the capitalist class as a whole because the financial and structural support, provided by the government and financed by US capitalism, enabled British industry to reemploy workers in comparative social harmony and so boost profitability.

But that was not the case for the French government in the recession of the early 1980's. Their measures were bitterly opposed by the capitalist class who saw them as a threat to profitability. So controls which are deliberately

designed to control profits, prices, investment etc introduced by a future Labour government would clearly and correctly be seen by capitalism as a threat to profitability, already poor enough in the UK.

Yet despite the evidence in the Campaign Group pamphlet itself, its author proceeds to argue for a set of controls that would attempt to plan the economy under capitalism. Glyn has already recognised that the success of such controls depends on the support or acquiescence of the capitalist class to them and yet he still puts them forward. So let us examine the value of these planning controls in more detail.

Glyn points out that any Labour government coming to office with plans to expand spending for job creation will almost certainly be faced with a flight of capital out of the country, forcing down the value of sterling. In these circumstances, Glyn says, "extensive exchange controls would be necessary" p 19. Glyn proposes that a Labour government should separate out 'commercial transactions' from 'investment accounts' so that transfers of capital investment could be stopped without interrupting trade payments. He does acknowledge that such "a really comprehensive set of capital controls would involve plenty of technical difficulties" p 20 and yet it could be done, he says.

Price controls

This is clearly a change of mind by Glyn. In his *Militant* pamphlet of 1978 he stated unequivocally that: "There is no exchange control system imaginable which can determine which overseas payments made by the monopolies are strictly commercial and which are tied to protecting themselves from fluctuations in the exchange rate. The only effective way to control such payments would be for these companies to be nationalised" (*Capitalist Crisis* p 46—second edition). And, as he added then, there is no surety that money blocked from fleeing abroad will be invested by capitalist firms in creating jobs: "Simply preventing capitalists from doing something will not automatically cause them to do what the government wants, especially given the political advantage for them in showing the government policy to be a failure" (*Capitalist Crisis* p 47). Glyn's previous arguments still seem to us to be valid as a criticism of the exchange and investment controls proposed by much of the left as an alternative to public ownership of the finance sector.

The main Tory argument presented against a Keynesian type expansion of public expenditure to raise production

and create jobs is that it will be inflationary, by accelerating the growth of the money supply, which if not matched by an increase in production will lead to an increase in prices.

Glyn attempts to answer this argument by saying that if there is increased expenditure, then increased demand will be matched by increased supply and so there will be no inflation of prices: "a major expansion means more goods not less" (*A Million Jobs a Year* p 23.) But almost in the same breath Glyn seems to accept that there is no guarantee that increased demand will be met by increased production from capitalist firms, particularly monopolies. They may prefer to take higher profits through higher prices. So he immediately suggests the need for price controls: "Price controls would have to be put in place to prevent firms taking advantage of the expanding markets to boost profits by banging up prices" p 24.

Glyn does not seem to remember the experience of price controls under the Labour government 1974-79. Then the Prices Commission set up by the Labour government was unable to control the myriad of 'new products' with 'new prices' introduced by companies to circumvent the controls. In fact the effect of the Prices Commission was estimated at just a reduction of half a per cent on the going rate of inflation. Eventually, after continual revisions of its terms of reference, the Commission became totally ineffective and the last years of the Labour government, before the 1979-81 recession saw a dramatic fall in prices, were years of almost hyper inflation of over 20 per cent per year.

And why were price controls ineffective? Because strict controls would have eaten into the profitability of capitalist industry, already too low for proper investment and production in the UK. If supply was to be increased *under capitalism* controls had to be revised and eventually dispensed with.

It is precisely this point that Andrew Glyn made when arguing against the value of price controls under capitalism in writing his *Militant* pamphlet: "to impose rigid and effective controls in a situation where workers were taking advantage of a temporary upswing and an ending of wage controls to put in for big wage increases would be to drastically worsen profitability. This would eliminate any possibility of the temporary rise of production being translated into a sustainable boom through higher investment." (*Capitalist Crisis* pp 39-40).

Glyn hammers home the point against the proponents of controls rather than ownership and planning

when he says that arguing for price controls is to "opt for a policy which ignores the working of the capitalist system by asserting that in a situation of crisis, production and investment can be expanded by driving down profitability further!" (*Capitalist Crisis* p40). Unfortunately the author of the Campaign Group pamphlet has forgotten those words. Under capitalism in crisis price controls would have to allow profits to rise not fall if there were to be a chance of persuading the capitalists to invest.

Another traditional policy of the reformist left designed to correct the inefficiencies and weaknesses of the British capitalist economy has been devaluation of the currency. Previous Labour governments have used devaluation as a means of increasing the competitiveness of British exports and increasing the costs of imports in order to improve the balance of trade. At the last election Peter Shore, the right wing labour speaker on the economy, advocated a 25-30 per cent devaluation as the remedy for British economic ills. But the utter failure of this policy to revive exports or even stem the flood of imports into all sectors of the home economy has finally led the Labour left to drop it.

Import controls

The Campaign Group pamphlet wastes no time in dismissing devaluation. However it embraces enthusiastically the other main policy prescription of the Labour left on trade: import controls. The advantage over devaluation, Glyn claims, is that devaluation means increased prices through the higher cost of imports while controls on imports do not. (*A Million Jobs a Year* p25).

This argument is just not valid and again is refuted by Glyn himself in his earlier pamphlet for *Militant* when he says: "the great advantage claimed for import controls is that unlike devaluation the price of imported commodities is not automatically pushed up... but import controls *would* mean that British workers would be faced with higher prices. With sales limited, foreign capitalists would no longer have any incentive to undercut British firms and they would raise the price of the imports which were allowed in. Not only would workers be forced to switch to already dearer British goods, but these would also be increased in price as British capitalists would no longer be restrained by foreign competition. To a substantial extent then, import control is just a variant on the old capitalist theme of the necessity for the working class to pay with a wage cut for the

privilege of maintaining employment." (*Capitalist Crisis* p41).

It now seems that Glyn wants workers to make that sacrifice or at least he feels that under "controlled capitalism" there is no choice for workers. As he puts it: "Some people may feel that the real costs of restricted access to imported goods are too high: that having to wait for a Toyota or a Sony hi-fi is too big a sacrifice. But there will be UK substitutes available, hopefully (sic!), of comparable performance and price. If the choice is presented honestly, to be what it really is, either ready availability of Toyotas rather than a substitute or reduced unemployment plus reduced queues for hip operations plus decent housing plus readily available BL cars, is there really any choice?" (*A Million Jobs a Year* p 27)

But is that presenting the situation 'honestly' or 'to be what it really is?' If workers make a sacrifice by paying higher prices for necessary consumer goods (not just Toyotas) or buy inferior and more expensive British goods, will they get in return more jobs, more houses, more training under 'controlled capitalism' i.e. while the decisions to invest and plan for these social needs are still in the hands of the capitalists? No, Glyn is stretching his new found naivety too far.

Not only would British workers not be able to buy cheaper consumer imports but, moreover, British industry, now very reliant on imports of machine goods and semi-manufactures as well as raw materials would be severely damaged if controls were placed on their imports. It is by no means certain that controls on imports would benefit the key sectors of the British economy without also driving up their input costs and so retard the growth of their profits.

A key argument used against import controls is that it invites retaliation from rival capitalist economies. This danger would be serious if Britain's major trading markets were to slap controls on British goods in response to controls by Britain. Glyn recognises this danger when he says that "retaliation and opposition should be anticipated" (p26), but his answer is to bite the bullet and face it out, to use the "blunt approach". And he makes an appeal "Labour's potential allies overseas are the labour movements and it would be to them that Labour would appeal to minimise the disruptive action of foreign governments and employers". (*A Million Jobs a Year* p27).

But can Glyn be serious? Strong import controls can only hit the jobs of workers overseas who work for companies that export to Britain ie. Toyota

workers and Sony hi-fi workers. A Labour government takes away their jobs and then appeals to them for solidarity? No, Glyn was much clearer on the consequences of controls in his *Militant* pamphlet: "It is not difficult to imagine what reception a Labour government would receive if it attempted to introduce really tough import controls... the depth of the economic crisis, and the competitive nature of the capitalist system, make it inconceivable that the British state could get away without retaliation to the introduction of really tough import controls... workers abroad would be pushed into supporting their bosses in the campaign for retaliation and the same thing would develop in the UK as export industries met retaliation from import controls abroad... so the demand for import controls must be recognised as being nationalistic—an attempt to preserve the interests of the 'British nation', workers and capitalists alike, and on this basis there would be no possibility of British workers appealing to the labour movement abroad to oppose the retaliatory action of their capitalists". (*Capitalist Crisis* pp42-43).

'The crucial question'

The supporters of import controls can defend their position best when there is a general expansion of world trade. Then they can argue that with trade growing for everybody, controls on imports into Britain will not be so damaging for other trading nations. However the prospects for world trade have deteriorated sharply since Glyn so effectively attacked the supporters of import controls in 1978. Europe and the United States have begun imposing quotas over each other's exports in retaliatory action. What would happen to Britain if a Labour government attempted to restrict European and US imports?

Even an arch supporter of import controls, Wyn Godley of the 'Cambridge School' of economists, who strongly influenced the Labour left in the 1970s, has said that controls "would be much more difficult to introduce than in 1976" (*Guardian* 13 January 1987) and 'prefers' co-ordinated European reflation, predicting that without general expansion, "the mad mercantilists (ie protectionists) will devour us all." Yet Glyn adopts a policy he refuted before, just at a time when it has even less validity and is jettisoned by its previously strongest supporter!

None of this denies the need for a workers government, where ownership, control and planning rest in the

hands of the labour movement, imposing a state monopoly of foreign trade as an essential planning tool. But that would mean the public ownership of all those industries where controls are needed as a necessary part of a socialist plan to control the economy in society's interests.

And a socialist government of the working class coming to power in Britain would be a source of inspiration to the labour movement in many nations giving them the confidence to demand greater trade with a socialist Britain from their governments, not less.

Socialists stand for international planning of the world's resources in the interests of working people. As Glyn said in the *Militant* pamphlet: "Neither import controls nor free trade provide a solution to the crisis of British capital. The fact that the capitalist class in Britain may be forced by the growing tide of protectionism and by its own weakness to impose import controls is all the more reason why socialists should give no credence to them." (*Capitalist Crisis* p45).

Up to this point in the Campaign Group pamphlet, Glyn has argued that the plan for a million jobs a year "would only be feasible on the basis of extensive controls over foreign exchange transactions, over the financial system, over prices, over trade and over investment and employment in the private sector". (p29) In this article we have attempted to expose the flaws in that view, explain that it is indistinguishable from the 'Alternative Economic Strategy' put forward by the reformist left in earlier years; and a programme forthrightly demolished by Glyn himself over eight years ago.

The author of the Campaign Group pamphlet is partially aware of his own contradictions when he raises on p18 of *A Million Jobs a Year* the "crucial question", which is: "whether the solutions advocated below are consistent with private ownership of the major financial and industrial companies which dominate the economy". He then goes on to promote the idea that they are 'consistent' by advocating controls over capitalism rather than its abolition, as we have seen.

But still the contradiction bothers him and he returns to the 'crucial question' on p30 in another way: "could a plan for full employment along the lines sketched out be implemented on the basis of the present economic structure where private ownership occupies most of the commanding heights?"

Glyn makes the point that controls only worked during the war because the capitalists "being committed to the objective of winning the war... were bound to abide more or less by them".

But as he goes on to say "the position could hardly be more different now," and he presents the evidence to show how hostile the industrialists and financiers would be to controls now in the mid-1980s.

So what does he advocate? Firstly, action against the financial institutions: "taking them into immediate public ownership seems absolutely indispensable if a Labour government is to prevent financial crisis and be enabled to use the credit system as part of planning for full employment". There is no equivocation here.

But when Glyn looks at the industrial sector, he draws back from public ownership because "the capacity of the major industrial firms to frustrate a Labour government's plans for full employment is less immediate than the threat posed by the financial sector." Factories cannot be moved like money, he says, and the real task here is to ensure control over investment, production and marketing decisions. So he proposes not public ownership but compulsory planning agreements for the giant firms; and boards of company management where workers making and using the industry's products and government representatives have a majority of votes over shareholders. In this way control over industry could be achieved "without removing ownership of shares from the existing shareholders and without incorporating all major firms directly into the public sector". (*A Million Jobs a Year* p33)

Halfway house

This half-way house between controls and abolition of the capitalist system of production is seen by Glyn even to have positive benefits because "it can be argued (and presumably Glyn is arguing it here—RM) that such approaches to the control of industry would have the advantage of demonstrating, through the process of struggling to shape the development of the economy, the justification and eventual necessity of the full implementation of Clause IV," (p34). Glyn recognises that "nationalisation of all of the commanding heights of the economy is the most direct way of asserting society's control over its resources...the interests of shareholders would be explicitly denied and their power to do so removed." Yet for the author of the Campaign Group pamphlet, whether such measures are necessary or at least immediately necessary is a matter of "discussion and evaluation" to be justified during "the process of struggling to shape the development of the economy."

But is the luxury of time in 'discussion and evaluation' available to a Labour government which comes to office with a major economic crisis, facing outright hostility from the capitalists to any curbs on their decision making? Glyn admits that hostility to controls would be such as to threaten the very existence of the government, let alone its programme of controls. And as he says: "It would be irresponsible to suggest that such a shift (of control) would be achieved as soon as a parliamentary majority had been elected to carry it out. Active support would be required at every step to ensure that the main economic levers were removed from their present controllers (bit by bit apparently) and were operated in society's interests. Those who currently exercise economic power have non-economic weapons as well, through their influence on the state machine. The history of all previous attempts to transfer control of the economy indicate that the highest degree of active support and commitment would be required from Labour's supporters to overcome the threat of such extra-parliamentary opposition." (*A Million Jobs a Year* p 35).

But this statement begs several questions. Glyn draws back from advocating the "most direct way of asserting society's control over its resources" ie nationalisation of the commanding heights of industry as well as finance, because he says that it is not 'immediately necessary' and could be 'evaluated and discussed' as a course of action drawing upon the struggle of a Labour government against the dictates of the market.

But if he draws back from outright nationalisation because he hopes that controls would be more acceptable to big business, then he knows that is ruled out. If the labour movement proposed extensive and effective controls over investment and profits in industry, such policies would be greeted by a howl of reaction from the city and big business, just as great as for advocating public ownership of industry. They would immediately launch a campaign of opposition using the media, the courts, industrial sabotage and, if necessary, state power to block these controls and even to stop a government being elected pledged to carry them out. If the capitalists will do that to stop 'controls' anyway, why don't we push for the elimination of monopoly capitalism from the start?

As Glyn says, only the mobilisation of the labour movement and the working class as a whole in support of a Labour government implementing socialist economic policies for full employment could enable it to survive.

But if that is necessary for a programme of controls why confuse the issue for workers and stop short of a clear explanation that the **ending** of the private profit system is the only permanent guarantee of establishing full employment and all the social gains that go with a planned economy.

For planning is not possible without control of the economy and control is not really possible, as we have argued here, without ownership of the productive forces in the hands of the working class. Any halfway house is misleading to workers and will weaken their resolve to fight big business opposition to a socialist government.

That was certainly the view of Andrew Glyn in the *Militant* pamphlet when he attacked planning agreements as a diversion from public ownership measures: "the attempt to impose the outlines of a socialist plan (production for need rather than profit) on a capitalist economy, which is what planning agreements amount to, is bound to be hopeless while the capitalists still hold the main levers of economic power." (*Capitalist Crisis* p 57).

Public ownership versus controls

Then Glyn did not consider controls versus ownership of industry as a matter for 'discussion or evaluation', when he asserted that "only a programme of nationalisation of **all** the major monopolies would remove from the capitalist class the crucial levers of economic sabotage which are at present concentrated in their hands." (*Capitalist Crisis* p 68).

In that pamphlet, Glyn attacked the 'piecemeal way' that the proponents of the 'Alternative Economic Strategy' put forward their controls, making them "form an easy target for the capitalist media" allowing them to confuse the working class. In a nutshell the 'crucial question' is: is capitalism to survive or is it not? The answer is not clear from the proponents of the 'Alternative Economic Strategy' or from the author of *A Million Jobs a Year*.

As Glyn said in the *Militant* pamphlet, "if one theme runs through the various points of the Alternative Strategy it is that they attempt to implant in a partial fashion aspects of a full-blooded socialist plan on what would remain fundamentally a capitalist organism" (*Capitalist Crisis* p 68).

And in that earlier pamphlet, Glyn was scathing of those who advocated a step by step approach towards public ownership and planning ie, "demonstrating through the process of struggling to shape the development of

the economy, the justification and eventual necessity for the full implementation of Clause IV"—the words Glyn uses in the Campaign Group pamphlet. He answered that approach in the *Militant* pamphlet with: "by attempting to go part of the way towards a socialist programme, this strategy is not 'transitional' to such a programme, but is transitional to a tremendous disaster. An attempt simply to implement such a programme would be met by the capitalists using the enormous power left in their hands to sabotage the government's plans. The danger is not just that the ideas of socialism would be discredited in this way, but that the economic chaos which would result would pave the way for a reactionary takeover on the basis of crushing the organisations of the working class, as the Chilean experience makes clear," (*Capitalist Crisis* p 69).

That is the position which Marxists hold to, even if Glyn has changed his views since. A socialist leadership must explain to the working class clearly and from the beginning exactly what is necessary in order to give them the 'most direct way' of controlling the economy. That can only be a programme of public ownership, under workers' control and management, of the financial institutions and major industrial and commercial monopolies (around 200 or so companies). If a Labour government was to follow the policies of the Campaign Group and decide that it is not necessary 'immediately' or at all to take over the commanding heights, then it cannot succeed in really controlling the economy. And it will also confuse and weaken workers' resolve if it changes its programme midstream after the capitalists have been able to sabotage the economy and prepare for political reaction. In such a situation the advantage is with the capitalist class while they continue to hold the levers of economic and political power.

The black history of Chile demonstrates that a socialist government with radical objectives to improve the lot of working people, but with only partial measures of nationalisation and workers' control, leaves itself open to a terrible defeat.

Perhaps another reason that the Campaign Group pamphlet is unwilling to spell out the need for a full blooded socialist plan for employment may be because it too accepts the myth propagated by the Tories and the Labour leaders that the British people do not want socialism, if it means public ownership. The Campaign Group may want it themselves (or at least most of them), but as the electorate does not, it is necessary to water down what is

necessary into what is acceptable.

Obviously there are some grains of truth in the argument that nationalisation is not supported by British workers—after all it is a dirty word shunned by the present Labour leaders. And the reason for that is the bureaucratic implementation of public ownership by previous Labour governments. Nationalisation has been used to save loss-making capitalist industries and firms, to be then run and controlled by unelected bureaucrats, often the former failed capitalists, with the main objective of 'rationalising' an industry through redundancies which the private employers did not dare do. No wonder many people see no value in public ownership.

Of course such nationalisation as we have seen bears no relation to the measures that would be introduced under a socialist programme which completely abolished the capitalist system of production for profit. With democratic workers' control and management of industry, workers would be involved in drawing up the plan for investment and production, expanding resources and technique to their full potential and enabling the full employment of all those able to work.

A summary

Andrew Glyn in the Campaign Group pamphlet ably spells out what extra resources could be achieved by ending the waste of unemployed workers, idle capital equipment and plant, and by a renewed programme of investment using the latest technology. For such gains to be achieved it requires a plan of production based on social ownership under the control of the working class; not on capitalism, however restrained by 'controls' "by one means or another" (*A Million Jobs a Year* p 36).

If such a programme was campaigned for by the Labour leaders it would gain mass support. As Andrew Glyn said in his *Militant* pamphlet, "it is not in the least unrealistic to believe in the success of such a campaign once the issues are clearly explained" (*Capitalist Crisis* p 80). Moreover, only such a bold and clear explanation of the socialist alternative would produce the necessary resolve from the working people to defeat the inevitable reaction (including violent reaction) that would come from the capitalist class when they see their power under threat. Anything less, as the proponents of the 'Alternative Economic Strategy' in the past and the Campaign Group now seem to think possible, is a recipe for failure and terrible defeat by the forces of reaction.

To summarise, we have argued that the Campaign Group pamphlet's principal policy proposals are similar to those advocated by the proponents of the 'Alternative Economic Strategy' in the 1970s and early 1980s, namely that a Labour government could direct a capitalist economy in such a way as to provide full employment and other social needs by an extensive series of controls over prices, investment at home and abroad, and trade—without the need to implement Clause IV and abolish capitalist ownership of the means of production.

We have argued against that view by trying to show that controls have not and will not work, especially if the capitalist class is opposed to them. If controls are weak to avoid antagonising financiers and industrialists, then they will be ineffective and fail to revive investment and production for need—as the experience of the socialist government in France and in the early 1980s has proven.

If, on the other hand, controls are extensive and firmly applied by a Labour government, or even look like being implemented to threaten the profitability of the capitalist class, then a Labour government would meet the all out resistance of the capitalist class to any measures, using the media, the law and eventually force to stop them being applied.

Our argument here is: why advocate a paraphernalia of regulations to **control** capitalism rather than **abolish** it, if it still leaves a Labour government open to a brutal attack threatening its survival? A clear campaign by the labour movement for the implementation of Clause IV by a Labour government would also be resisted by the capitalist in similarly vicious way, but a programme of public ownership and workers' management of a socialist plan would be much more likely to win support from working people as it would end the economic power of capitalism in one stroke. Such a programme, if properly explained, would be much more likely to mobilise and encourage the organised working class to defend a Labour government so that the political power of the capitalist class, in the last analysis, its state machine was defeated or neutralised if used against a democratically elected government. Because at the end of the day a socialist transformation and with it full employment will not be achieved by having the correct set of economic policies (controls or a socialist plan), but by the willingness and ability of working people to struggle for it against a ruling class which will not hand over its privileges without a no holds barred fight.

Zinoviev and Kamenev

Written en route to Mexico from Norway, 31 December 1936. In Norway Trotsky had been interned for nearly four months by the Norwegian Labour government, under pressure from Moscow, in an effort to silence his exposure as a frame-up the August 1936 show trial which ended with

the execution of the sixteen defendants, including the old Bolsheviks, Zinoviev and Kamenev. It was not until he was on the Atlantic that he was able to begin a systematic written refutation of Stalin's purge trials, including the article printed here.

By Leon Trotsky

THE YEAR that is now ending will go down in history as the year of Cain.

In view of the warnings by Zinoviev and Kamenev about Stalin's secret schemes and designs, the question may be asked whether intentions of the very same kind did not arise in their minds in relation to Stalin after they found themselves cut off from all other means of combat. Both of them made no few turns and squandered no few principles in the last period of their lives. In that case why can't we grant the possibility that, despairing of the consequences of their own capitulations, they really did at a certain moment make a frantic turn toward terror? Later, as part of their final capitulation, they might have consented to meet the GPU halfway and to entangle me in their ill-starred designs, as a service to themselves and to the regime with which they once again sought to make peace.

This hypothesis has entered the minds of some of my friends. I have weighed it from all sides, without the slightest preconceptions or considerations of personal interest. And each time I came to the conclusion that it was utterly unfounded.

Lenin's testament

Zinoviev and Kamenev are two profoundly different types. Zinoviev is an agitator, Kamenev a propagandist. Zinoviev was guided in the main by a subtle political instinct. Kamenev was given to reason and analysing. Zinoviev was always inclined to fly off at a tangent. Kamenev, on the contrary, erred on the side of excessive caution. Zinoviev was entirely absorbed by politics, cultivating no other interests and appetites. In Kamenev there sat a sybarite and an aesthete. Zinoviev was vindictive. Kamenev was good nature personified. I do not know what their mutual relations were in emigration. In 1917 they were brought close together for a time by their opposition to the October Revolution. In the first few years after the victory, Kamenev's attitude toward Zinoviev was rather ironical. They were subsequently drawn together by their opposition to me and, later, to Stalin. Throughout the last thirteen years of their lives, they have marched side by side and their names were

always mentioned together.

Despite all their individual differences and in addition to their common schooling in emigration under Lenin's guidance, they were endowed with an almost identical range of intellect and will. Kamenev's analytical capacity served to complement Zinoviev's feel for a situation; and jointly they would explore for a common decision. The more cautious Kamenev would sometimes allow Zinoviev to carry him along further than he himself wanted to go, but in the long run they found themselves side by side along the same line of retreat. In the stature of their personalities they were peers, and they supplemented each other by their dissimilarities. Both of them were deeply and unreservedly devoted to the cause of socialism. Such is the explanation for their tragic union.

There are no compelling reasons for me to take upon myself any political or moral responsibility for Zinoviev and Kamenev. Discounting a brief interval—1926-27—they were always my bitter adversaries. Personally, I did not place much trust in them. Each of them, to be sure, was Stalin's intellectual superior. But they lacked sufficient character. Lenin had precisely this trait in mind when he wrote in his "testament" that it was "no accident" that Zinoviev and Kamenev were opponents of the insurrection in the autumn of 1917. They failed to withstand the pressure of bourgeois public opinion. When deep-going social shifts in the Soviet Union began to crystallise, combined with the formation of a privileged bureaucracy, it was "no accident" that Zinoviev and Kamenev allowed themselves to be swept away into the camp of Thermidor (1922-26).

They far excelled their then allies, including Stalin, in their theoretical understanding of the processes taking place. Herein lies the explanation of their attempt to break with the bureaucracy and to oppose it. In July 1926 at the plenum of the Central Committee, Zinoviev declared that "on the question of apparatus-bureaucratic repression Trotsky was correct as against us." Zinoviev, at that time,

acknowledged that his mistake in waging a struggle against me was even "more dangerous" than his mistake in 1917! However, the pressure of the privileged stratum reached overwhelming proportions. It was "no accident" that Zinoviev and Kamenev capitulated to Stalin at the end of 1927 and carried with them those who were younger and less authoritative. Thereafter they expended no little effort in denouncing the Opposition.

But in 1930-32, when the country's entire organism was convulsed by the frightful consequences of the forced and unbridled collectivisation, Zinoviev and Kamenev, like so many other capitulators, anxiously lifted their heads and began discussing in whispers among themselves the dangers of the government's new policy. They were caught reading a critical document which had originated in the ranks of the Right Opposition. For this terrible crime they were expelled from the party—no other charge was brought against them!—and, to top it off, were exiled. In 1933, Zinoviev and Kamenev not only recanted once again but prostrated themselves before Stalin. No slander was too vile for them to cast against the Opposition and especially against me personally. Their self-disarmament rendered them completely helpless before the bureaucracy, which could henceforth demand of them any confession whatever. Their subsequent fate was a result of these progressive capitulations and self-abasements.

Conduct at the trial

Yes, they lacked sufficient character. These words, however, should not be taken too simplistically. The strength of any material is measured in terms of the forces operating on it and tending to destroy it. Between the beginning of the trial and my internment (in Norway at the end of 1936—Ed) I had occasion to hear tranquil petty-bourgeois people complain to me: "It's impossible to understand Zinoviev. He is so lacking in character!" And my reply to them was: "Have you yourselves experienced the full weight of the pressures to which he has been subjected for a number of years?" Unintelligent in the extreme are the comparisons, so

widespread in intellectual circles, with the conduct in court of Danton, Robespierre, and others. Those were the cases of revolutionary tribunes who came directly from the combat arena to face the knife of justice, still at the height of their powers, with their nerves almost unaffected, and—at the same time—without the slightest hope of survival after the trial.

Even more inappropriate are comparisons with Dimitrov's conduct in the Leipzig trial. To be sure, compared to Torgler, Dimitrov made a favourable showing by his resoluteness and courage. But revolutionists in various lands and especially in tsarist Russia have shown no less firmness under incomparably more difficult conditions. Dimitrov was facing the most vicious class enemy. There was no evidence against him, nor could there have been. The state apparatus of the Nazis was still in its formative stages, and not adapted to totalitarian frame-ups. Dimitrov had the support of the gigantic Soviet state and the Comintern. From all the corners of the earth the sympathies of the popular masses went out to him. His friends were present at the trial. To become a "hero" one need only have had ordinary human courage.

But was this the situation of Zinoviev and Kamenev when they faced the GPU and the court? For ten years they had been enveloped by clouds of slander paid for in heavy gold. For ten years they had been suspended between life and death, first in a political sense then in a moral sense, and lastly in a physical sense. Can one find in all past history examples of such systematic, refined, and fiendish destructive work upon the spines and nerves, upon all the elements of the human spirit? Zinoviev or Kamenev would have had more than ample character for a tranquil period. But our epoch of tremendous social and political convulsions demanded an extraordinary firmness of these men, whose abilities had secured them a leading place in the revolution. The disproportion between their abilities and wills led to tragic results.

The history of my relations with Zinoviev and Kamenev can be traced without difficulty in documents, articles and books. *The Bulletin Oppozitsii* (1929-36) alone sufficiently defines the abyss which decisively separated us starting from the day of their capitulation. Between us and them there were no ties whatever, no relations, no correspondence, nor even any attempts in this direction—there were none nor could there have been. In my letters and articles, I invariably advised the Oppositionists, in the interests



Kamenev and Zinoviev

of political and moral self-preservation, to break ruthlessly with the capitulators. Consequently, whatever I am able to say concerning the views and plans of Zinoviev—Kamenev for the last eight years of their lives can in no case be construed as the deposition of a witness. But I have in my possession a sufficient number of documents and facts which are easily verifiable. I am so well acquainted with the participants, their characters, their relations, and the entire background as to be able to state with absolute assurance that the accusation of terrorism against Zinoviev and Kamenev is from beginning to end a contemptible, police-manufactured frame-up, without an iota of truth in it.

"Lust for power"

The mere reading of the record of the court proceedings confronts every thoughtful person with the following enigma: Who exactly are these extraordinary defendants? Are they old and experienced politicians, struggling in the name of a definite programme and capable of combining the means with the end, or are they victims of an Inquisition, with their conduct determined not by their own reason or will but by the interests of the Inquisitors? Are we dealing with normal people whose psychology is internally consistent and reflected in their words and actions, or with clinical cases who chose the least rational course, and who motivate their choice by the most incongruous arguments?

These questions apply above all to Zinoviev and Kamenev. Just what were their motives—motives that must have been exceedingly powerful—that guided them in their purported terror? At the first trial in January 1935, Zinoviev and Kamenev, while denying their participation in the assassination of Kirov, did acknowledge, by way

of compensation, their "moral responsibility" for the terrorist tendencies, and in doing so they cited as the incentive for their oppositional activity their desire "to restore capitalism". If we had nothing else to go on but this unnatural political "confession," it would be sufficient to expose the lie of Stalinist justice. And indeed who can believe that Kamenev and Zinoviev were so frantically set upon restoring the capitalism they had overthrown that they were ready to sacrifice their own as well as other heads to attain this goal? The confession of the defendants in January 1935 so crudely revealed the hand of Stalin behind it that the sensibilities of even the least exacting "friends of the Soviet Union" were jarred.

In the trial of the sixteen (August 1936) the "restoration of capitalism" is completely discarded. The impending motive to terror is the naked "lust for power". The indictment rejects one version in favour of another as if it were a question of alternative solutions to a chess problem, with the interchange of solutions made in silence and without any commentaries. Following the state prosecutor, the defendants now repeat that they had no programme, but simply were seized by an irresistible desire to capture the commanding heights of the state, regardless of the price. But we should like to ask: just how could the assassination of the "leaders" have delivered power into the hands of people who had managed through a series of recantations to undermine confidence in themselves, to degrade themselves, to trample themselves into the mud, and thereby forever to deprive themselves of the possibility of playing any leading political role in the future?

If the goal of Zinoviev and Kamenev is incredible, their means are still more irrational. In the most carefully thought-out depositions of Kamenev it is

underscored with special insistence that the Opposition had completely isolated itself from the masses, had lost its principles, and was thereby deprived of any hope of gaining influence in the future; and it was for precisely for this reason that the Opposition came to the idea of terror. It is not hard to understand how advantageous such a self-characterisation is to Stalin; it is his order that is being carried out—that is absolutely self-evident. But while the depositions of Kamenev are suited for the purpose of discrediting the Opposition, they are utterly unsuited for the justification of terror. It is precisely in conditions of political isolation that terrorist struggle signifies swift self-destruction for a revolutionary faction. We Russians are only too well aware of this from the example of Narodnaya Volya (1879-83) as well as from the example of the Social Revolutionaries in the period of reaction (1907-09). Zinoviev and Kamenev were not only brought up on these lessons, but they themselves commented innumerable times upon them in the party press. Could they, Old Bolsheviks, have forgotten and rejected the ABCs of the Russian revolutionary movement only because they wanted power so very much? To believe this is utterly impossible.

'Terrorists—without ideals?'

Let us suppose for a moment, however, that it actually occurred to Zinoviev and Kamenev to hope to gain power by a public disavowal of their past, supplemented by a campaign of anonymous terror. (Such a supposition is equivalent in fact to declaring them psychopaths!) In that case, what impulses would have driven those who carried out the terrorist actions, those who inevitably would have had to pay with their own heads for someone else's ideas? A hired killer who acts with the assurance of immunity, given in advance—that is believable. But terrorists without an ideal or a profound faith in their cause, offering themselves up for sacrifice?—that is inconceivable. In the trial of the sixteen, the Kirov assassination is portrayed as a small part of a vast plan for the extermination of the whole top layer of rulers. What is presented is a **systematic** terror on an enormous scale. For the direct work of assassination, many dozens, if not hundreds, of fanatical, hardened, self-sacrificing fighters would have been necessary. Such people do not fall from the sky. They have to be picked, trained, organised. They have to be thoroughly imbued with conviction that the only salvation lies in terror. Beside

the active terrorists, reserves are needed. These can be counted on only if there are broad layers within the young generation inspired with sympathy for terrorism. Only by extensive propaganda in favour of terrorism can such moods be created, and such a propaganda effort would have an especially intense and passionate character, because the entire tradition of Russian Marxism goes against terror. This tradition would have to be broken down, and a new doctrine counterposed to it. If Zinoviev and Kamenev could not have repudiated their entire anti-terrorist past without saying a word, even less could they have steered their supporters toward this Golgotha without a critical discussion, without polemics, without conflicts, without splits, and—without denunciations reaching the authorities. Such a drastic ideological rearming, involving hundreds and thousands of revolutionaries, could not have failed, in turn, to leave its traces in innumerable material ways (documents, letters etc). Where is all this? Where is the propaganda? Where is the terrorist literature? Where are all the echoes of the internal struggles and debates? In the trial materials there is not even a hint of all of this.

For Vyshinsky, as for Stalin, the defendants in general do not exist as human personalities. Thus, any question of their political psychology is also lost sight of. When one of the accused tried to invoke his "feelings", which he claimed prevented him from firing at Stalin, Vyshinsky alleged in reply that there were certain physical obstacles: "These . . . are the real reasons, the objective reasons, all the rest is psychology." "Psychology"! What annihilating contempt! The accused have no psychology: that is, they dare not have any. Their confessions are not the product of normal human motivation. The psychology of the ruling clique, through the mechanism of the Inquisition, totally subordinates the psychology of the defendants to its own devices. The trial is modelled after some tragic puppet show. The accus-

ed are manipulated by strings, or, rather, by the ropes around their necks. There is no room for "psychology."

Nevertheless, without the psychology of terrorism, terrorist action is inconceivable!

Let us for a moment allow the charges in all their absurdity: Driven by their "lust for power," the capitulator—leaders become terrorists. Hundreds of others are, in turn, so swept up by Zinoviev and Kamenev's "lust for power" that they, too, obligingly risk their necks. And all this—in alliance with Hitler! The criminal work, invisible, to be sure, to the unwary eye, reaches unheard-of proportions: the assassination of all the "leaders", universal sabotage, and espionage are organised. And this goes on for not just a day or a month, but almost five years! All under the mask of loyalty to the party! It is impossible to imagine more hard-bitten, cold-blooded, ferocious criminals.

Victims of the GPU

But then what? In late July 1936 these monsters suddenly renounce their past and themselves and pathetically confess one after the other. None of them defend their ideas, aims, or methods of struggle. They vie in denouncing each other and themselves. No evidence is in the prosecutor's hands but the confessions of the accused. Yesterday's terrorists, saboteurs, and fascists now prostrate themselves to Stalin and swear their ardent love for him. What in the world are these fantastic defendants—criminals? psychopaths? a little of both? No, they are the clientele of Vyshinsky and Yagoda. This is what people look like who have gone through the laboratories of the GPU.

There is as much truth in Zinoviev and Kamenev's tales of their past criminal activity as in their protestations of love for Stalin. They died the victims of a totalitarian system that deserves nothing but condemnation!

Notes

1. This refers to revelations made by Kamenev and Zinoviev to Trotsky, when they split with Stalin and made a bloc with the Left Opposition in 1926. During the period of the 'triumvirate' of Stalin, Kamenev and Zinoviev, Stalin had seriously discussed the possibility of physically eliminating Trotsky by organising a terrorist attack, desisting, as Zinoviev reported, on one consideration only: "that the youth would place the responsibility upon the 'triumvirate' or upon him personally, and resort to terrorist acts. Stalin therefore considered it necessary to crush the cadres of the opposition youth beforehand."

2. This refers to the 1933 trial by the Nazis of Georgi Dimitrov, a Bulgarian communist who had moved to Germany, and Ernst Torgler, a German CP leader, who were tried on charges of having set the Reichstag on fire.

3. Andrei Vyshinsky (1883-1954)—a Menshevik from 1903-1920, when he joined the Bolsheviks. Was chief prosecutor in the Moscow trials.

4. Henry Yagoda (1891-1938)—As head of the secret police, the GPU, was responsible for organising the 1936 Moscow trials. But he himself was made a defendant at the 1938 Purge Trial and was shot.

Book Reviews

Policing Industrial Disputes—1893-1985

By Roger Geary.
Published by
Methuen, 1986.

Reviewed by Chris Herriot

(Sacked Monktonhall miner)

POLICE VIOLENCE at Orgreave and elsewhere in the course of the miners' strike, took those on the receiving end completely by surprise. Despite having watched or even participated in the events of the strikes of 1972 and 1974, Grunwicks, the Warrington dispute or the national steel strike, and witnessed state brutality in action, most miners including union officials or activists still had a respect for the 'guardians of law and order'. The 'excesses' of the coal dispute—cavalry charges, riot squads, dogs, batons and 'snatch squads'—put paid to all that.

Policing Industrial Disputes, although it adopts an academic approach, provides a useful contribution on the nature of police activities in industrial conflicts, placing the role of the police in the 1984-85 miners' strike in its historical context. While it is often necessary to read between the lines of what the author is saying in order to draw out the important lessons, nevertheless it becomes absolutely clear from the book that the ruling class and their agents strive continuously to learn from every conflict in order to improve and adapt the systems and instruments of repression.

Superficial method

Geary's method of analysis is to map out the "changing nature of industrial confrontation" since 1893, outlining 5 or 6 periods of time wherein a distinctive "form of disorder" prevailed. Each 'disorder', he argues, was accompanied by an 'appropriate' or 'inappropriate response' from the state. While this is a completely superficial approach to providing an understanding of the different conditions involved in each struggle, the economic background, the balance of class forces etc, nonetheless Geary does produce some interesting facts.

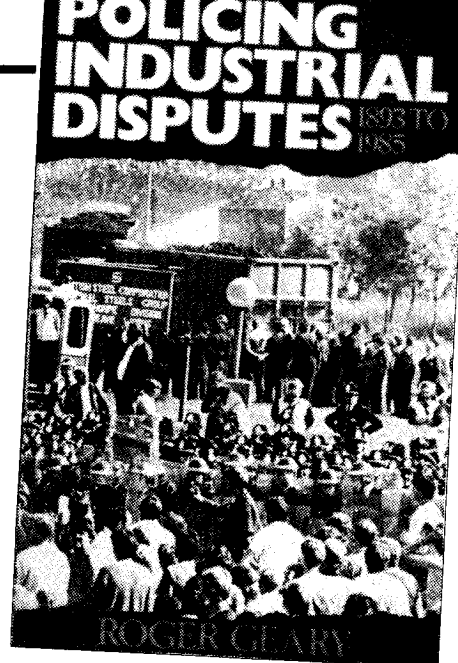
Apparently it was as late as the 1890's that it was still the task of the army rather

than the small local police forces to intervene in instances of social unrest, under the control of a local magistrate. However, since these magistrates tended to be the local coal or mill owner, such naked forms of repression had to be replaced if the facade of a 'liberal democracy' were to be maintained. While it was possible to bring detachments of Scots Greys into Liverpool to quell unrest initially, when a conflict became generalised rather than confined to a particular locality then the problem of troops identifying with workers arose. Events such as the 'Featherstone shootings', where troops at the disposal of coalowners murdered unarmed strikers, alerted the capitalists to the dangers inherent in using the army at such an early stage in class battles.

The military are the last line of defence of the capitalist's property and to commit them in the field so early, with so little provocation and without having first carried out the necessary nation-wide propaganda campaign is to take an enormous risk. Further, use of the police could be portrayed as defending 'law and order' whilst military intervention from the outset can only be seen as outright strike breaking by the state. Using police can also have the effect of containing the conflict in a particular area. So the period of 1910-1914 is portrayed as a time of violent picketing with physical assaults on 'blacklegs', which saw the use of the police as the key instrument of social control with the army in readiness should it be necessary.

It is clear that the capitalists were in a state of fear that the strike movement of the time would develop to threaten the very fabric of society. This explains the beginnings of the extensive use of intelligence-gathering against the labour movement. During the 1914-18 war, the 'Ministry of Munitions' set up a 'directoriate of intelligence' to spy on unions in arms factories and the army itself also took a keen interest in industrial matters. Of course the CID had to get in on the act as well: Geary refers to "a meeting of the Central 'Stop the War' Committee. The only two attendants were two lady police spies, who entered into conversation, neither knowing the other's occupation. At a subsequent election for vacancies on the Committee both these ladies were elected..."! Finally, the multiplicity of intelligence groups were brought under one umbrella with Special Branch in the role of co-ordinator.

Despite the 1926 General Strike, the period up to 1945 is described by Geary as being relatively free of violence—with the exception of conflict with the fascists. The lack of violence by pickets is put down to 'moderate' trade union leader-



ship. Now we're beginning to get to the real point of the book as far as the author is concerned—and its fundamental weakness. From 1946 to 1980, we're told picketing was relatively non-violent. The miners' strikes of 1972 and 1974 are cited as typical examples. Only 'pushing and shoving' situations arose at mass pickets. It was all kind of fun really, sporting. The police responded with 'symbolic confrontation' ie they paraded their strength and threatened and intimidated the strikers. Of course, there was some genuine banter and humour but, as the author himself points out, the police are encouraged to adopt this approach to lessen the possibility of conflict. I would add that it is also an excellent means of putting someone off guard. Confrontation seldom occurs when the police are heavily outnumbered. But there was an outbreak of violence in 1972 at Saltley Gate. And who was in charge that day? Arthur Scargill, the 'revolutionary fanatic.'

1984-85 Miners' strike

The final era is the current situation, or at least, up to the end of the miners' strike. Violence is the order of the day. Scabs are beaten up. Property is damaged and destroyed. It is a repeat of the first stage of Geary's 'study' when the masses were a leaderless mob. Now, they are led by a Marxist fanatic, ultra-lefts or else the 'moderate' leadership temporarily lose control. If only Neil Kinnock had been at the head of the miners... But, instead, the miners were set on a disastrous course. Geary concedes that the state was well primed. The Ridley Report had seen to the hiring of non-union lorry drivers, the stockpiling of coal and so on. The police had developed their tactics in the course and aftermath of the inner-city riots of 1981. They reactivated the National Recording Centre established following the 1972 dispute. And Thatcher had brought them over as soon as she had

come to power in the form of a wage rise. A much more sophisticated and efficient state machine—intelligence and surveillance and all—stood ready to do battle with men and women whose only weapon was the right to strike.

In fairness, apart from the disgusting attempt to blame left leadership for the few isolated acts of violence that did occur at the hands of the strikers, the book does attempt to give something of an explanation of the contributory factors that may cause frustrated strikers to take 'criminal' action. However it must be clearly understood that the vast bulk of assaults and acts of violence were carried out by the police on unarmed, passive pickets. But an academic attempting to balance reality against the fiction of the state and the media is doomed to fall far short of the mark. Nevertheless, the facts and information contained in the book make it well worth a read. For all its obvious faults, it is a useful contribution to the debate on the role of the police in industrial conflicts.

The Coming of the Spanish Civil War,

by Paul Preston.
Published by
Methuen, 1983,
£6.50.

Reviewed by Tim White

THE SPANISH revolution and civil war of 1936-39 has an important place in the history of the international labour movement. While there are many books dealing with the civil war itself they only touch upon the period preceeding its outbreak. *The Coming of the Spanish Civil War* fills that gap.

There are many shortcomings in the book as can be expected of a liberal academic but it does contain much useful information on the unfolding revolution and its effect on the labour movement.

The defeats suffered by the working class in Europe in 1933-34 had a profound effect on the Spanish Socialist Party. The victory of Hitler in Germany, with the 13 million strong Social Democratic/Communist and trade union movement being crushed without a shot being fired and the February 1934 defeat of the Austrian Social Democrats by Chancellor Dollfuss, gave a grim warning of the intentions of the capitalists internationally.



Police action at Wapping

Photo: Dave Sinclair



Above: Right-wing Socialist Party leader, Negrín. Right: Largo Caballero.

In Spain the Socialist/Republican government was defeated by a right wing coalition of Lerroux's Radicals and Gil Robles CEDA. As Lerroux manoeuvred to bring the clerical reactionaries of CEDA into his government, the formerly homogenous Socialist party, under pressure from its rank and file, shifted dramatically to the left splitting into reformist and revolutionary tendencies.

'Spanish Lenin'

Preston charts the development of the Socialist party during and after their experience in the 1930-33 Republican/Socialist coalition which, in the 2 years of its existence, solved none of the problems of Spanish society, particularly the land hunger of the peasants.

One example of the processes at work within the Socialist party was the evolution of Largo Caballero. In the 1920's Caballero was quite content to be the Minister of Labour in the military dictatorship of Primo de Rivera, presiding over the repression of Anarchists and Communists. However, in the 1930's, under pressure from the rank and file workers particularly in the Socialist trade union federation, the UGT, Caballero shifted radically to the left. He was even hailed as 'the Spanish Lenin' by his supporters. Similarly the Socialist youth movement, the Juventudes Socialistas Unificadas (JSU), Caballero's strongest supporters demanded that the followers of Trotsky in Spain around Adrés Nin join the Socialist party to 'Bolshevise' it, an episode that Preston touches upon

in his book. It was a major mistake by Nin that he did not take up the offer.

Meanwhile the hardened reformists around Prieto and Bestieros tried desperately to swim against the revolutionary tide. It is this struggle that Preston tends to sympathise with and therefore the book should be read with that in mind.

Also dealt with at some length is the evolution of the semi-fascist CEDA (Con-

federacion Espanola Derechas Autonomas) and the conflict between them and other forces on the far right as they moved in the direction of fascism.

There is a section which covers in considerable detail the general strike and Asturian Commune of 1934 when the Socialist party moved to fight against the attempts of Lerroux to bring Gil Robles, leader of the CEDA, into the government. This episode is dealt with in a

previous edition of the *Militant International Review* (Issue No 27 Autumn 1984).

All in all *The Coming of the Spanish Civil War* is well worth reading. Providing that readers disregard the political position of the author, they will get information that they might have to otherwise search for high and low. From this standpoint alone it is a book to be recommended.

The British worker question: a new look at workers and productivity in manufacturing

by Theo Nichols, published by Routledge and Kegan Paul, 1986 £8.95.

Reviewed by Bob McKee.

ARE BRITISH workers lazier than their European, American or Japanese counterparts? Or to be more accurate without using tabloid press language: is the relative economic decline of the British economy in relation to its rival capitalist economies, partly expressed in a much lower rate of productivity growth, caused by the British workers' inefficiency, unwillingness to work, trade unionism etc?

Theo Nichols sets out to answer these questions in his book. And he clearly wants to dispel the myth put forward by the Tory press, capitalist economists and sociologists, and even Labour leaders, that poor productivity can be blamed on the workers.

He does this by a painstaking analysis of all the available evidence on the subject collected in various economic, social and management studies.

However, it is not easy to see exactly what conclusions he reaches as a result of his rather convoluted progress through the evidence of others. At least this reader did not find it easy. It may be rather old fashioned but readers do like conclusions, even if they are heavily qualified, but it is difficult to grasp Nichols', particularly as the book appears to tack on some chapters about the success or otherwise

of Thatcherism and then meander into some commentary pieces unrelated to what has gone before.

But this lack of summarised conclusions should not put the reader off his book. Perseverance with Theo Nichols produces some real nuggets of information that activists in the labour movement can use to effect against Tories or anybody else who says that Britain's economic mess is due to the lazy, strike happy, over unionised British worker.

Nichols shows that those hoary old arguments really are old. Even in 1901 *The Times* was arguing that Britain's relative decline, which was already well underway by then, should be blamed on the 'injurious effect of trade unionism'. Nichols demonstrates that it is part of British capitalist ideology that their employees work less hard than Japanese and Germans and that even those liberals who appear as friends of the labour movement accept this as fact—they simply think it is good that British workers have 'chosen' more leisure time over more 'work'. Such is the brainwashing of the media on this 'fact' that most people when interviewed also accept it.

But if it was true, then as Nichols points out, it must have been true for nearly a century, because British productivity growth has lagged behind that of the USA and Germany for all that time. There must be a deeper explanation of the decline of the British economy.

Low capital investment

Nichols examines the major economic and sociological studies on British workers productivity—by Pratten in 1976, CPRS in 1975 and Caves in 1980. He exposes their evidence as biased to the management view and reinterprets it to develop vastly different conclusions from the ones they drew; which can be summarised as blaming low productivity on restrictive practices and trade union 'conservatism'.

Nichols brings up more compelling reasons for Britain's lower productivity: the lack of a cheap labour pool of the size available to Germany and Japan which meant not only lower costs but also a more subdued workforce amenable to

tougher working conditions. In Germany capitalists forced their employees to work intensively to the point where fatalities and injuries at work were four times as high as in the UK. But conversely, German workers were better trained technically for their job, so raising their productivity.

The studies of Pratten and Caves tried to suggest that modern machinery made no difference to British worker productivity, and that British capital investment per worker was not lower than elsewhere. Nichols disputes this, explaining how most of British investment on research and development goes into projects for the armed forces and not industry (four times more than Germany and 18 times more than Japan).

British capitalists, fed on a diet of super profits for decades from their colonial markets, found it unnecessary to invest in new techniques or to take advantage of economies of scale by expanding plant (the UK has on average the smallest size of plants in the major industrial economies). British management is less skilled at organising its production, its workforce and plant; and less able to engineer and develop new innovations.

In his final chapters, Nichols deals with the Tory attack of the 1980s on trade unionism particularly on the shopfloor, in big business' attempt to raise productivity and profits by taking away the hard earned rights of organised workers. Quoting from a 'much-cited' article that appeared in *Militant*, he describes how management's drive for 'flexibility' on the shopfloor is really aimed at the destruction of workers conditions.

As it is, productivity has only risen under the Tories because unemployment has risen faster than production has gone down. It has not been a result of increased investment or better organisation. And nothing has really changed—German capitalists pay higher wages and their workers work less hours and have more holidays, yet their costs per unit of labour employed are lower than unit costs in Britain. Why? Because British industrial productivity lags way behind that of Germany—as it has done for nearly a century.

Video Review 'The Great Frame up'

1986 SAW the 50th anniversary of the infamous purge trials—the systematic removal by the Stalinist bureaucracy of the last vestiges of the old Bolshevik leadership of the Soviet Union. The main person accused at these trials was not present; Leon Trotsky was already in exile, driven from the Soviet Union by Stalin and his gangsters.

To commemorate the anniversary, *Militant* produced much material on the trials, including a half hour video, first shown at the 1986 national *Militant* rally. The video, *The Great Frame-Up*, gives some insight into the political fight taken up by Trotsky and the Left Opposition, against the bureaucracy.

The video covers a period of sixteen years: from the period of reaction, after Lenin's death in 1924, to the death of Trotsky himself, in 1940. It explains how the bureaucracy was born from the degeneration of the victorious October Revolution and, most importantly, how the trials were sickening frame-ups, judicial murders, carried out by the bureaucracy to consolidate its rule over the Russian working class. Finally, it deals with the role played by Trotsky in his fight to maintain the democratic and internationalist traditions of October.

The video is best used as an introduction to a discussion at a Marxist Discussion Group or even an LPYS meeting on the trials. However, the video is no substitute for the books, pamphlets and articles that are now

available on the Moscow Trials. The video gives a taste of the experiences of the old Bolsheviks. It cannot replace the benefits to be made by actually reading the different material on the trials.

While 1986 saw the anniversary of the Moscow Trials, 1987 ushers in the 70th anniversary of the great October Revolution. Over the next year, readers should look to organising local meetings around the question of both the revolution and the show trials. The series of articles in the *Militant*, "Old Bolsheviks Remembered", can form the basis of discussion in Marxist Discussion Groups. *MIR* debates with

Review by David Kaplan

supporters of the Russian bureaucracy in the labour movement, such as the *Morning Star*—now controlled by the pro-Moscow Communist Campaign Group—can also be organised, again to bring to light the atrocities carried out by the bureaucracy in the names of Marx and Lenin.

Systematic planning of discussions, leading up to local rallies in October commemorating the Russian revolution, will benefit readers in clarifying the questions raised by this valuable video on the trials.

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Booknotes

By Bob McKee

NEW TITLES received for review this quarter by the *Militant International Review* include *The Value Dimension*, edited by Ben Fine, and published by Routledge and Kegan Paul at £6.95. Marx's value theory and his analysis of the contradictions inherent within the capitalist system of production came under attack from the capitalist economists as soon as *Capital* was published. The economist who paid most attention to Marx's theories was E Von Bohm Bawerk, an Austrian apologist for capitalism who launched an attack soon after the publication of Volume 3 of *Capital*.

In recent years the attack on Marxist economics has come not just from capitalist economists like Samuelson and Joan Robinson, but also from some economists who consider themselves socialists and even Marxists but who follow the ideas of David Ricardo, the

classical capitalist economist of the early 19th century who developed a labour theory of value. These neo-Ricardians, like Piero Sraffa and more recently Ian Steedman, have attempted to argue that Marx's value theory is either wrong or irrelevant or both.

In collecting into one book some important articles by economists defending Marx, Ben Fine has made another useful contribution to the debate—in addition to the books he and others have published over the last decade which have helped to clarify many of the issues.

But this book may not be the place to start for a reader unfamiliar with the arguments. In a series of articles in the future, the *MIR* hopes to explain the latest developments in this battle over economic theory and bring out its practical relevance to the struggle for socialism.

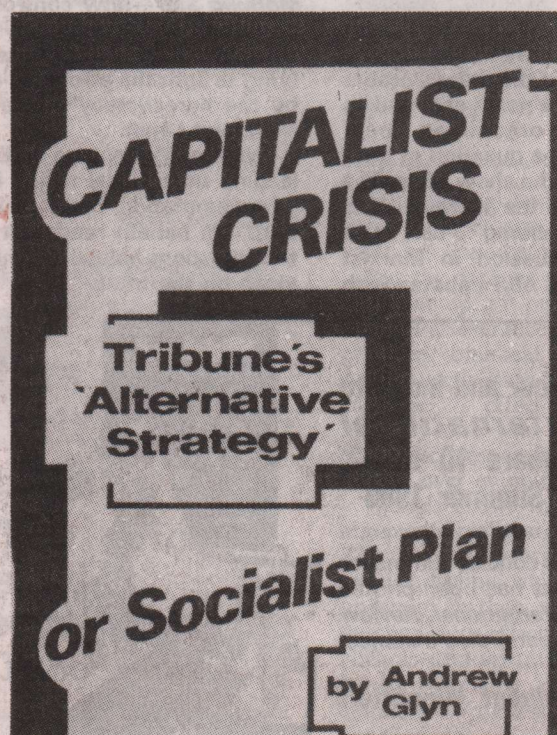
Also from Routledge and Kegan Paul, as part of the series of paperbacks reprinting essays on themes that have been debated in the journal, *Economy and Society*, our review office has received *Soviet Industrialisation and Soviet Maturity*, edited by Keith Smith, and

Economic Calculation and Policy Formation, edited by Grahame Thompson, both priced at £6.95.

From Verso has come *The Meaning of the Second World War* by Ernest Mandel, £6.95. This is just a 'pot boiler' of the causes and conflicts of the events of 1939-45. It is not clear why it was written except perhaps to clear out a few cobwebs still clinging to the inside of the author's head. *Understanding Capital* by Duncan K Foley, published by the Harvard University Press at £7.25, is a clear and succinct account of Marx's economic theory, dealing with all the latest debates with the neo-Ricardians and providing a useful list of further reading. Maybe a place to start for a reader not familiar with Marxist economics.

Certainly not recommended are *An Introduction to Karl Marx* by John Elster and the companion *Karl Marx: A Reader*, edited by Elster, both published by the Cambridge University Press at £5.95 and £6.95 respectively. Why somebody who writes that "Scientific socialism is dead" feels himself competent to edit a selection of Marx's writings remains a mystery.

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