REVOLUTIONARY PERSPECTIVES 17

Journal of the COMMUNIST WORKERS' ORGANISATION 35p

IMPERIALISM
the decadent stage of capitalism

and...
ZIMBABWE
the tasks of revolutionaries today
STEEL STRIKE
Yugoslavia / Tito
Unions - the Prior bill etc.
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For several months we have been witnessing the gruesome spectacle of the world bourgeoisie hovering at the bedside of President Tito of Yugoslavia. Like world capitalism, he is at death's door and is only kept alive by a series of desperate ad hoc measures. Not only in Belgrade is there concern over his imminent departure, but also in Washington and Moscow anxious eyes scan the Balkans for harbingers of the destabilisation that Tito's death could bring in its wake.

Yugoslavia did not come into existence until 1919. Far from being an example of an independent third system as it is often portrayed, its existence and history is a product of imperialist manoeuvres. Yugoslavia is the descendant of historic Serbia, which freed itself from 400 years of Turkish rule in 1830, and expanded in further anti-Turkish wars of 1875-7 and 1912-13, to become the dominant state in the Balkans. Serbia became a client of Russia, itself a client of Entente imperialism, and had dreams of a vast "south-Slav" (Yugoslav) state in the western Balkans. World War One was sparked off by Serbian nationalists who assassinated the heir to the Austrian throne in Bosnia; Serbian ambitions could only be realised at the expense of Austrian and Turkish interests and hence those of German imperialism. Serbia was rewarded for her loyalty to Entente imperialism at Versailles in 1919, when most of her national claims were met. The Serbian bourgeoisie now lorded it over the local ruling elites of Croatia, Bosnia and Macedonia, leading to the emergence of separatist movements in these areas, encouraged by Italian imperialism, which hoped to gain Dalmatia from Yugoslavia's dismemberment. Fear of Italy and Germany made Yugoslavia the key to France's Balkan barrier against the Axis, but she was overrun by the Germans in 1941 and divided into German and Italian puppet states, as well as losing territory to Italy in Dalmatia.

The first anti-Axis resistance movement to emerge were bands of ex-royalist soldiers (chetniks) led by Mihailovich. Tito, who had been appointed head of the Yugoslav Communist Party after a Stalinist purge in 1937 as a reward for assisting in the massacre of workers in the Spanish Civil War, was in 1941 a loyal servant to Stalin. When the Germans invaded Yugoslavia in April 1941 the Yugoslav Communist Party actually operated more freely under Hitler than under the Yugoslav monarchy. This was because the Nazi-Soviet Pact was still operative. It was not until the invasion of Russia in June that Tito, in loyal Comintern fashion, called for an insurrection "to prevent our country from being turned into a base to supply the Fascist hordes who have unleashed their fury on the Soviet Union, our dear Socialist Fatherland". However, there had been nothing socialist about the USSR for 20 years before this call and Soviet imperialism had fully revealed its predatory nature in the attacks on Finland and Poland. The significance of the quotation shows that Tito was a faithful servant of Soviet imperialism at the time.

Up to 1943 the Germans and Italians did not attempt total occupation of Yugoslavia, occasionally carrying out reprisal massacres to keep Chetnik and partisan sabotage to a minimum. In fact the greatest successes of Tito and Mihailovich during this period, when they received virtually no material support from the Allies, were against each other. Both sides entered into pacts of neutrality with the Axis powers in order to better massacre each other.
The vital change came in 1943 with the collapse of Italy, most of whose arms and supplies fell into Tito's hands. At the same time British intelligence supported Tito because he was "killing more Germans" than Mihailovich, and they also believed that they could force Tito to hold free elections after the war. They were encouraged in this belief by Stalin who had agreed that Yugoslavia was to be a "50-50" country like Austria. In this agreement we have the basis of Yugoslavia's so-called independence today.

Tito was thus able to take advantage of the imperialist manoeuvring to outflank them all. British aid and Red Army tanks were the decisive factors in the consolidation of Yugoslavia, contrary to Titoist myths that the partisans "liberated" Yugoslavia themselves. Once Tito had been granted Istria by the Allies Yugoslavia became the most Stalinist of all the Eastern European satellites, helping to aid the Communist Party in the Greek Civil War in 1947.

However, in 1948 Tito once again returned to a balancing act between Russian and Western imperialism. It was not, however, Tito who had broken with Stalin but the other way round. In common with all other Eastern European Communist Parties Stalin wanted to purge the leadership of the Yugoslav CP. However, Tito had reorganised Yugoslavia himself therefore Stalin found few supporters to carry out this purge. In fact it was Tito who carried out his own purge of pro-Moscow elements. With its own military apparatus, defensible border (unlike other East European countries) and Western backing, Tito knew he could challenge Stalin with impunity. Yugoslavia's traditional economic links were with central, rather than east Europe, and being cut off from these behind the Iron curtain was a prospect Tito did not relish; neither did he relish being the front line in a new war, bordering as Yugoslavia does, both Greece and Italy among NATO countries. The cost to the West of supplying aid to Tito was a small price to pay for opening Yugoslavia to Western capital and denying Stalin naval facilities on the Adriatic.

**MYTHS OF TITOISM**

The fact that Tito is a member of neither NATO nor the Warsaw Pact, and has economic links with both the EEC and COMECOM, along with its championship of the 'non-aligned' countries, is given as evidence of the independence of Yugoslavia from great power politics. In fact Yugoslavia is not independent; it is a bastard in receipt of pensions from two sources. Economically and militarily it is dependent on the great powers and has been able to sit on the fence for thirty years simply because both Russia and the West know that the price of integration of Yugoslavia into their bloc is WAR, and neither have yet been prepared for this. But if the US "gained" Yugoslavia, the whole Balkan underbelly of Russia would be exposed, especially Romania where the bourgeoisie would dearly love to do a Tito. On the other hand, if it fell back into Russia's orbit Greece would be outflanked, as would Italy. Whether Yugoslavia remains independent will be decided in Moscow and Washington, not Belgrade.

Elements of the bourgeoisie, from right wing Tories to Trotskyists, often talk of Yugoslavia as "socialism with a human face" where state ownership of production can be combined with such human virtues as prostitution property speculation. In particular, the system of "workers' control" in the factories is put forward as evidence that Yugoslavia is a land where the workers rule. But workers' control of production in Yugoslavia is simply a way of getting the class to organise its own exploitation more efficiently, and to deflect their attention from the fact that they do not control the STATE which is in the hands of the Yugoslav bourgeoisie. Like the ruling class of anywhere else on the planet, their overthrow is
a prerequisite for the implementation of communism. Much effort is wasted in arguing whether the workers in Yugoslavia do or don't run production "democratically", as if this determined the class nature of Yugoslavia. Even if the workers collectively decide on production norms, wages and elect the supervisors of production, this is still capitalism. They are still producing for the market, with the aim of extracting profit for accumulation, and are still in competition with other self-managed enterprises. The reproduction of wage labour, competition and market production therefore reproduces all the contradictions of capitalism and the Yugoslav workers will find themselves "democratically" imposing austerity and unemployment on themselves as the crisis intensifies. In fact, due to the "market economy" in Yugoslavia and its strong links with the EEC, it is now feeling the effects of the economic crisis in the form of inflation and unemployment rather than the food shortages and low wages of the crisis in Comecon countries. Almost 500,000 workers have been repatriated to Yugoslavia from the EEC (mainly Germany), adding to domestic unemployment; and revenues from tourism have declined (these two were the country's main source of hard currency earners). Today Yugoslavia has a massive foreign debt, balance of payments deficit and inflation of "Western" rather than "Eastern" proportions.

The emergence of the crisis had led to internal destabilisation before Tito's illness; the outbreak of student unrest, of workers' strikes, re-emergence of Croatian nationalism, and even echoes of the Muslim revival among the 2 million Muslims in the country. The Yugoslav bourgeoisie can undoubtedly hold these in check, unless destabilisation is also added from outside, and here the imperialist giants could play a vital role. Yugoslavia has border disputes with four states; Italy over Istria, Bulgaria over Macedonia, and with Albania and Greece. These disputes, and internal conflicts in the polyglot Yugoslav state, could serve as toeholds for intervention by Russia or America. Added to this is the fact that the Yugoslav bourgeoisie is itself split. Alongside the majority Titoist faction there is a minority which favours stronger links with Russia, and yet another which favours full-scale integration into Western imperialism.

Russia still supplies Yugoslavia with her armaments, and recently economic links were expanded; she may be tempted to intervene in Yugoslavia, should a pro-Moscow faction call for her help. The West, on the other hand, would, in her post-Afghanistan mood of determination,
most likely respond to such a move militarily. The ruling class inside Yugoslavia will undoubtedly find itself heavily wooed in the post-Tito period by the imperialist giants. The threat of war this poses makes it all the more vital for the Yugoslav workers to break from the prisons of nationalism and self-management and strike out on its class terrain against all factions of capital.

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APPEAL TO OUR READERS

The deepening of the crisis has meant an increase in the tasks facing communists in their intervention in the class struggle. The CWO has responded to this challenge, but the ever increasing cost of materials, transport, etc mean financial difficulties. We intend in future to publish printed magazines, as this will greatly increase our circulation and release the energies of the group for other tasks. We have therefore opened an APPEAL FUND to help support the printed magazine. We gratefully acknowledge donations of £25 (N, Sheffield), £25 (Anon., Newcastle), £50 (Anon., Manchester), £9 (J, Newcastle), £20 (D, Sheffield), £20 (R, London), (£12.50 S, Seattle), £25 (R, Manchester) and encourage readers and sympathisers to send donations to the group address - inside the front cover.

FUTURE PUBLICATIONS

To tie in with our increased intervention, our future regular publications will be a printed agitational quarterly magazine, Workers' Voice with Revolutionary Perspectives continuing on a yearly basis to maintain our theoretical work. Currently in preparation is a French language pamphlet of past R.P texts (available by midsummer from the group address.)

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IMPERIALISM - THE DECADENT STAGE OF CAPITALISM

The tactics and principles of a revolutionary organisation are not established by reference to eternally correct moral criteria drawn up in the abstract by revolutionaries themselves. It is precisely this rule of method which differentiates scientific socialism (i.e. Marxism) from the wishful thinking of utopians. In the nineteenth century the immediate overthrow of capitalism was not on the agenda. At this time it was still a progressively expanding system, introducing social reforms and political rights. (1) Marx, therefore, could consistently support those national struggles of the bourgeoisie which he saw as leading to a progressive development of capitalism (and therefore of the proletariat), or as helping in the formation of proletarian political consciousness. Thus, he could support the Northern states in the U.S. civil war - a war which led to the further extension of wage labour (i.e. the proletariat) through the abolition of slavery and the accelerated development of capitalism. It also helped to give English workers a sense of their international tasks by expressing solidarity with the North.

More difficult was the question of Ireland's independence which Marx supported, NOT because he had any hopes of the development of capitalism in Ireland, but because he wanted to use the issue to convince English workers to overcome their chauvinism. (2)

"... Quite independently of all phrases about 'international' and 'humanitarian' 'justice to Ireland' - which must be taken for granted in the Council of the International - it is in the direct and absolute interest of the English working classes to get rid of its present connection with Ireland... The English working class will never accomplish anything until it has got rid of Ireland. English reaction in England had its roots in the enslavement of Ireland." (Marx's emphasis - quoted Lenin in, British Labour and British Imperialism, p.125)

Marx, however, always took care to ensure that proletarian support for national liberation struggles was always independent of that of the bourgeoisie and did not support all national liberation struggles. For example, he saw nothing progressive in supporting the existence of tiny Balkan nations which would be a prey to Russian influence, though he did think an independent Poland would provide a buffer to Russian expansionism. Of course, not all revolutionaries agreed on this or that precise tactical evaluation of individual national struggles. For example, Rosa Luxemburg was also aware of the historically limited nature of revolutionary support for the national struggle and she concluded that the Polish bourgeoisie was so "tied to Russia with chains of gold" that socialists could not find any material basis for continuing to support the independence of Poland (as Engels did up to his death). On the other hand, Luxemburg did support the struggle of the Balkan nations against the Turkish Empire. In both cases she pointed to the fact that new material conditions existed which Marxists must take account of. In following Marx's methods rather than the specific results for an earlier epoch Luxemburg was here in complete agreement with her greatest critic, Lenin. In the "Right of

(1) For an expansion of this see Revolutionary Perspectives 2, "The Economic Foundations of Capitalist Decadence" and R.P.10, "The Meaning of Decadence."

(2) See R.P. 15 for the full argument of "Marxism and the Irish Question!"
Nations to Self Determination" he wrote,

"... while Marx's standpoint was quite correct for the forties, fifties and sixties or for the third quarter of the nineteenth century, it has ceased to be correct for the twentieth century" (page 44)

and he added,

"... in general the attitude of Marx and Engels to the national question was strictly critical and they recognised its historically conditioned importance." (ibid, page 46)

The essential difference between Luxemburg and Lenin was in the interpretation of what "historically conditioned" meant. On the ostensible subject of the exchange, the question of Polish independence, Lenin actually criticised Luxemburg's opponents in similar terms to Luxemburg herself.

"The attempt of the PSP (the Polish Socialist Party; the present day "Pracj") in 1896 to establish for all time the point of view Marx held in a different epoch was an attempt to use the letter of Marxism against the spirit of Marxism." (ibid, page 44)

But Lenin objected to the fact that Rosa Luxemburg had extended her opposition to the slogan of independence for the Poles (in 1896) to denying (by 1905) that in real terms national liberation (at least in Europe) was possible in the imperialist epoch. In 1896 she had defended the national struggles of the Balkan states against Turkey, but in "The National Question and Autonomy" (1905) she wrote:

"Can one seriously speak about the self-determination of the formally independent Montenegrins, Bulgarians, Rumanians, Serbs, Greeks, partly even the Swiss whose independence is itself a result of the political struggle and the diplomatic game of the 'concert of Europe'"? (op. cit. p.130)

Luxemburg as yet was still a long way from developing an economic theory of imperialism (1) but she based her position on the empirical observation of the growth of world imperialism. Lenin, along with Kautsky and the Mensheviks, rejected such a universalist approach. For him the "historically conditioned" approach of Marxism meant that each country's conditions had to be judged in isolation and that the tactics of each socialist party were determined by its own local situation. This mechanical view of historical development which saw every nation going through the same historical stages (feudal - bourgeois revolution - proletarian revolution) Lenin in practice abandoned in Russia in 1917 but in theory he still clung to it in his defence of the right of nations to self-determination for the minority nations of the former Russian Empire and the colonial countries.

Whilst Lenin was only concerned with the tactical advantages that would be lost by abandoning the slogan of the "right of self-determination of nations" (he said Luxemburg was simply giving grist to the mill of the Rightist Black Hundreds in Russia), revolutionaries today can recognise the significance of the contributions of Luxemburg and, within the Bolshevik Party, Bukharin. They both recognised that the historical specificity of Marxism lies not in natural particularism but in the general historical characteristics of a given epoch. In the first decade of this century the centralisation of capital and the growth of

(1) See "The Accumulation of Contradictions" in Revolutionary Perspectives 6.
imperialism meant that capitalism could only be viewed as a world system, or what Bukharin called "world economy", and it was on this position that Luxemburg and Bukharin were beginning to take their stand against the formalism of a social democratic movement that was soon to reveal itself as a defender of capitalism.

Working as she did within German social democracy, it was perhaps easier for Rosa Luxemburg to appreciate the significance of the rise of apologists for imperialism. In German social democracy there were two powerful tendencies opposed to the minority view of Luxemburg. On the one hand there was the large minority of social chauvinists who supported Germany's acquisition of colonies with the view that they were establishing a more progressive mode of production. Such a perversion of Marxism shows how revolutionary ideas can become the opposite when the material basis for them alters. Naturally it was the Davids and Legiens who were to lead the SPD to support the imperialist war "against Russian barbarism" in 1914 with distorted quotes from Marx of 50 years before. Equally dangerous for the proletariat was the view put forward by the majority Centrists like Kautsky and the Austrian Hilferding who were busily revising Marx under the pretext of modernising his theories. Hilferding was the first "Marxist" to provide an analysis of the new epoch in his book *Finance Capital* (1910). His work has the merit of showing that the rise of imperialism was due to an essential shift in the nature of capitalism. Further, he noted that banks had become essential to fund investment due to the high organic composition of capital, therefore banking and industrial capital had become almost synonymous. This intertwining he called finance capital. By monopolising the home markets and protecting them via the state with tariff barriers, Hilferding also could explain how the imperialist rush to colonies came about. This explained to Hilferding the increased militarisation of capitalism and the growing number of international crises. But Hilferding had illusions that war would not be necessary for capitalism and that capitalism could develop still further to the stage of "ultra-imperialism" suggested by Kautsky.

Kautsky echoed or inspired bourgeois commentators on imperialism. Two of these were Hobson and Schumpeter. Hobson was an English liberal free trader who rightly made the connection between the increasing tariffs in Europe and the rush for colonies. He believed this, however, to be a specific policy and not a necessity for capital. Schumpeter stole Kautsky's idea of a post-imperialist capitalism and concluded that once all feudal remnants like Junkers and the military had been crushed then capitalism would become a peaceful, stable mode of production.

As Kautsky had long before concluded that capitalism would yield to socialism without a struggle, so in the international arena he found it inconceivable that capitalism could lead to the barbarism of the imperialist war. Like Hobson, Kautsky advocated a capitalism which could go beyond imperialism by changing its "policy" to one of international capitalist cooperation which he called "ultra-imperialism". And like Schumpeter Kautsky put down the increasing tensions and war preparations of the early twentieth century to the work of a few socially atavistic relics of the old feudal order. Once capitalism had got rid of them then, for him, it would be able to carry on preparing pacifically the way for socialism. This explains why the Centrists took up a pacifist standpoint during World War One rather than a proletarian position of revolutionary defeatism. It also reveals fully the consequences of not understanding the changed nature of the capitalist system. Whilst in the ascendant phase of capitalist development it was possible for the proletariat to give support to the
most enlightened and progressive factions of capital in the era of
capitalist decay the idea that capitalism's real representatives are
socially progressive only leads to frontism and ultimately to preparing
the working class for slaughter as happened in Spain in 1936 and in
World War Two. The theoretical preparations for Kautsky's apostasy
were clearly proclaimed long before 1914 and it was only Lenin's
failure to fully comprehend the significance of the issue that led him
to be surprised at Kautsky's capitulation. In contrast to Kautsky, the
real Marxists of social democracy argued that imperialism was the
essential product of capitalist development and that, consequently,
there was only one war which the proletariat could support - class war.

BUKHARIN

It was not until the period of the First World War, however, that these
analyses began to be published. The only creditable analysis of
imperialism based on Marx's own views of capitalist development was
that of Bukharin in his work Imperialism and World Economy (1915).
Bukharin accepted the analysis Hilferding made of the operation of the
capitalist economy at the turn of the century but turns the latter's
petty bourgeois pacifist idealism on its head by reaffirming that the
appearance of "finance capital" meant - not the resolution of
capitalism's contradictions - but rather the sharpening of those
antagonisms. He did this by starting from Marx's premises and using
Marx's methods.

"If a certain phase of development is to be theoretically
understood it must be understood with all its peculiarities,
its distinguishing trends, its specific characteristics,
which it shares with none ... This was Marx's method and
this is how a Marxist must approach the analysis of
imperialism." (Imperialism and World Economy p.113-4)

Bukharin's premise is the law of the tendency of the rate of profit to
fall, or what Marx called "the most important law for modern political
economy" (Grundrisse p.748). The fall in the rate of profit does not
mean an immediate capitalist collapse since the tendency for the rate
of profit to fall is offset by the greater productivity of the workers
who produce a greater mass of profit. Or as Marx put it:

"The progressive tendency of the general rate of profit to fall
is, therefore, just an expression peculiar to the capitalist
mode of production of the progressive development of the social
productivity of labour." (Capital Vol. III, p.213)

Here we have at the same time both the secret of capitalism's dynamism
and of its tendency to collapse. The law by which it is compelled to
revolutionise the means of production is also the law which frames the
limits of capitalist expansion. In the nineteenth century this had the
effect of causing weaker capitals to collapse and led to a tendency to
increased centralisation.

"As soon as the process of transformation has sufficiently
disintegrated the old (i.e. feudal -CWO) society has decomposed
it through and through ... What has now to be expropriated is no
longer the labourer working on his own account but the capitalist
who exploits many labourers.

This expropriation is brought about by the immanent laws
of capitalist production, by the centralisation of capital.
One capitalist lays a number of his fellow capitalists low.
(Capital Vol.Ip.845-6)
Bukharin thus locates the springboard for capitalist imperialism in the remarks Marx makes about the counteracting tendencies to the fall in the rate of profit. One of these is foreign trade.

"Capitals invested in foreign trade are in a position to yield a higher rate of profit, because, in the first place, they come in competition with commodities produced in other countries with lesser facilities of production, so that an advanced country is enabled to sell its goods above their value even when it sells them cheaper than the competing countries. To the extent that the labour of the advanced countries is here exploited as labour of a higher specific weight, the rate of profit rises, because labour which has not been paid as being of a higher quality is sold as such. The same condition may obtain in the relations with a certain country, into which commodities are exported or from which commodities are imported. This country may offer more materialised labour in goods than it receives, and yet it may receive in return commodities cheaper than it could produce them. In the same way, a manufacturer who exploits a new invention before it has become general, undersells his competitors and yet sells his commodities above their individual values, that is to say, he exploits the specifically higher productive power of the labour employed by him as surplus value. By this means he secures a surplus profit; on the other hand, capitals invested in colonies, etc., may yield a higher rate of profit for the simple reason that the rate of profit is higher there on account of the backward development, and for the added reason that slaves, coolies, etc., permit a better exploitation of labour. We see no reason why these higher rates of profit realised by capitals invested in certain lines and sent home by them should not enter as elements into the average rate of profit and tend to keep it to that extent." (Capital Vol. III p.238)

Thus the reason for the rush for less developed areas of the globe is not simply to provide a future possible set of "third buyers" for the national capital but to gain a higher rate of profit to offset the declining rate at home. As Bukharin concludes,

"It is thus obvious that not the impossibility of doing business at home but the race for higher profits is the motive power of world capitalism." (Imperialism and World Economy p.84)

This also fits perfectly in accord with Marx's view of overproduction which is based not on the geographical saturation of pre-capitalist markets of Rosa Luxemburg, but on the "absolute consuming power based on the antagonistic conditions of distribution which reduce the consumption of the great mass of the population ... This is the law of capitalist production ... The market must be continually extended ... This internal contradiction seeks to balance itself by an expansion of the outlying fields of production." (Capital Vol III p.266-87, Quoted in Bukharin, ibid p.81).

Clearly, the merit of Bukharin's theory is that it holds that imperialism and its associated features are a product of the same basic drives of capitalism.

"The process of formation of capitalist monopolies is logically and historically, a continuation of the process of concentration and centralisation of capital ... free competition inside the class of capitalists is being more and more limited by restrictions and by the formation of giant economies monopolising the entire "national market". (op.cit. p.65)
With such a heavy concentration of the productive forces in a few firms, there are fewer small capitalists to fall by the wayside and competition was transferred to the level of that between nation states. Bukharin argues that we are now in the era of world economy and cites a number of ways in which capitalist states use political and military force to back up its own monopolies, the two main ways being in the introduction of tariffs and the acquisition of colonies. In the case of tariffs, Bukharin points out that late nineteenth century tariffs were not designed to protect weak sectors of the economy but to exclude foreign competition whilst at the same time allowing the same product which is so heavily protected at home to be sold below the costs of production abroad - in short, "dumping". This led logically to tariff wars and heightened tensions. At the same time:

"A lower rate of profit drives commodities and capital further away from home."

So that

"the free market i.e. that section of it which has not been seized by the great power monopolies becomes ever narrower." (p.84-5)

This leads to the further carve up of the globe and annexations.

However, Bukharin makes it clear that whilst "Imperialism is a policy of conquest ... not every policy of conquest is imperialism" (p.114) and that to explain the conquests of Alexander the Great et. al. as imperialism is "untrue because it 'explains' everything, i.e. it explains absolutely nothing". For him "Imperialist annexation is only a case of the general capitalist tendency towards centralisation of capital". (p.120) But, unlike Hilferding, he saw that this tendency has its ultimate logic in war. The accuracy of his predictions bears testimony to the strength of his theory. Bukharin did not see the First World War as an isolated freak occurrence but concluded that,

"A series of wars is unavoidable ... Once the present war is over new problems will have to be 'solved by the sword'". (p.139)

and that it ushered in a new period in which "new forms of capitalist relations" would be established. In short, Bukharin fully realised that imperialism was a significant new phase in the development of capitalism.

Taken as a whole, then, Bukharin's theory has a coherence based on an extension of the law of value to the developments in the capitalist mode of production after Marx's death. Working from the manner in which the tendency for the rate of profit to fall leads to the centralisation of capitalism and reproduces capitalist competition at the level of the nation state, he is able to explain all the phenomena of capitalist development in the early twentieth century. This even allowed him to comment on the increased statification of capital. He was one of the first to see that the bourgeoisie's laissez faire mentality, its hatred of state intervention, had gone for good.

"... the bourgeoisie as a whole is more tolerant regarding monopolistic interference of the state power. The basic reason for this change is the ever growing closeness between state power and the leading spheres of finance capital ... a maximum centralisation and a maximum of state power are required by the fierce struggle on the world market ... The bourgeoisie loses nothing from shifting production from one of its hands into another, since present day state power is nothing but an entrepreneur's company of tremendous power ..." (op.cit. p.155-6)
This insight, however, has been criticised by Luxemburgists both past and present. In the 1930's Bilan criticised it in the following terms:

"To define imperialism as a "product" of finance capital, as Bukharin has done, is to establish a false connection and above all is to lose sight of the common origin of these two aspects of the capitalist process: the production of surplus value."

(Quoted in International Communist Current, International Review 19 p.9-10)

This really is a piece of sophistry since Bukharin was well aware of the causal connection and, as we have shown, based his whole analysis of the development of imperialism upon it. As he wrote in reply to Rosa Luxemburg herself,

"The reader will have noticed how strangely Rosa Luxemburg formulates the question of the economic roots of capital expansion. As she overlooks the factor of the search for larger profits she reduces everything to the bare formula of the possibility of realisation." (Imperialism and the Accumulation of Capital p.246)

Today, however, the present day Luxemburgists of the International Communist Current (ICC) preface their quotation from Bilan above by a little of their own pet theory of the State.

"Bukharin was still constrained by the equation of imperialism with finance capital, so that his "state capitalist trust" is, to a large extent, presented as a 'tool' of the financial oligarchy, whereas the state is actually the supreme directing organ of capital in this epoch." (International Review 19 p.9)(1)

In the first place it is churlish to deny Bukharin the perspicacity of being the clearest to understand the basic tendency of capitalism towards state capitalism, even if he did not see sixty years ago the precise forms it could take.(2) However, he did see that in a general sense the state was "the supreme directing organ of capital" in this epoch.

"With the growth of the importance of state power, its inner structure also changes. The state becomes more than ever before an "executive committee of the ruling classes". .... The apparatus not only embodies the interests of the ruling classes in general but also their collectively expressed will."

(Imperialism and World Economy, p.127-8)

In the second place, what is the state to Marxists but, as Bukharin wrote, the "executive committee of the ruling class"? The ICC's criticism here seems to advance its favourite view that the state is not the state of a particular class. Even here Bukharin can answer for himself. In the imperialist epoch:

(1) Bukharin also used 'finance capital' in a fundamentally different way to Hilferding. For the latter, 'finance capital' was a group of capitalists who determined good or bad policies for capitalism, whilst for Bukharin 'finance capital' was but a transient stage of historical organisation of capital inextricably linked to imperialism.

(2) And as we have shown elsewhere, Luxemburg not only did not see the significance of state capitalism but her theory cannot explain its operation. (See Revolutionary Perspectives 1 and 6 and our article printed in International Review 12 - "Some Questions for the ICC".)
"Relations between classes become most clear, most lucid: the mythical conception of a "state elevated above classes" disappears from the peoples' consciousness, once the state becomes a direct entrepreneur and organiser of production." (op. cit. p.160)

Following from his views on state capitalism Bukharin is able to see that the new period of capitalist development presents the working class with new tasks. Reformism would become an impossible illusion since,

"Workers' gains that were the usual phenomenon in the former epoch become almost impossible." (op.cit. p.159)

He even predicted something which has only become globally true since 1945 - that wage cuts would proceed via inflation!

However, it was in his global understanding of the new period, that imperialism represented the last stage of capitalism, that monopoly capitalism led to imperialist war which in turn he predicted in 1915 would lead to proletarian revolution.

"Thus capitalism, driving the concentration of production to extraordinary heights, and having created a centralised production apparatus, has therewith prepared the immense ranks of its own gravediggers." (op. cit. p.170)

Similarly, in the epoch of imperialism Bukharin adduced as early as 1912 that there could no longer be wars of national liberation and from 1915-19 he was recognised within the Bolshevik Party as the leading opponent of Lenin on this issue.

"The slogan of self-determination of nations is UTOPIAN ... and harmful as a slogan which disseminates illusions ... If we advance the slogan of 'self-determination' for struggle against 'the chauvinism of the working masses', then we act in the same way as when we (like Kautsky) advance the slogan of 'disarmament' as a method of struggle against militarism". ("Theses and Programme of the Bukharin/Piatokov Group", quoted in Cliff, Lenin Vol.2 p.51)

However, by 1920 the counter-revolution that stemmed from the isolation of the Russian revolution was beginning to overtake the Bolshevik Party and in the theories of Bukharin it was to prove traumatic. After the signing of the Treaty of Brest-Litovsk Bukharin never took his criticisms of Lenin to their logical conclusion on any issue. At the Eighth Party Congress in March, 1919 he attacked Lenin's "self-determination of nations" slogan and still denied the possibility of national liberation struggles but put forward the slogan of "self determination for the working class of every nationality" which in itself was a step back from the earlier uncompromising nature of his internationalist position. By 1921 Bukharin was writing that "The transition to the new economic policies represented the collapse of our illusions" and had completely capitulated to Lenin's position. From now on Bukharin was to be a leader of the counter-revolution, abandoning all his earlier views. This personification of the tragedy of the entire world proletariat has its smug rejoinder from the ICC who tell us that only "initially" did Bukharin uphold a clear position on "national liberation" whilst Luxemburg's position proved to be more "consistent" (IR 19, p.10). As Rosa Luxemburg was murdered by the counter-revolution in 1919 it was of course much easier for her position to remain "consistent". The physical force of the counter-revolution
crushed Bukharin's theories just as surely as it crushed Rosa Luxemburg's brain. The CWO is dedicated to restoring the revolutionary core of those theories today.

ROSA LUXEMBURG

"The deed of a brilliant theoretical intellect" was how Bukharin described Luxemburg's The Accumulation of Capital and though we, like Bukharin, find its content erroneous, we cannot deny the stimulating effect it had on our investigation of the question of accumulation. Nor can we deny, as we have written elsewhere(1) that Luxemburg's position on the national question was her greatest contribution to revolutionary Marxism. Her statement that,

"For no suppressed nation can freedom and independence blossom forth from the politics of imperialist states and the imperialist war" ("Either-Or")

remains the slogan of revolutionaries today. However, as we have shown elsewhere, her famous economic theory that it is impossible for expanded reproduction to take place in a world consisting entirely of capitalists and workers was not developed until 1912 whilst, as we saw above, her political perception of the national question had been laid down by the early 1890's. As she explained in the Foreword to the Accumulation of Capital,

"I could not succeed in depicting the total process of capitalist production ... On closer examination I came to the view that ... a problem was posed which is connected with the theoretical content of Vol. II of Marx's Capital ... which ... impinges on the practice of present-day imperialist politics and its economic roots."

In other words, in regard to the phenomenon of imperialism the first real test of Marx's theory of capitalist development, Luxemburg found it wanting. Looking at Marx's model laying out the basic conditions for the circulation of commodities in Vol. II of Capital she concluded that Marx had made a mistake "and thus rather lost sight of the main problem" (op.cit. p.351). According to her this volume's assumption that expanded reproduction could take place in an entirely capitalist world was erroneous and what was in fact a vital necessity for expanded reproduction was a continual opening up of new markets, "of third buyers".

We do not propose to yet again dissect the false assumptions Rosa Luxemburg falls into in order to arrive at this theory. Instead, what we wish to analyse is the novel claim by the present day Luxemburgists in the ICC that,

"... despite the claim made by the CWO that Luxemburg does not take the tendency for the rate of profit to fall into account, her entire analysis is based on the restriction of the market caused by the rising organic composition of capital (and thus the falling rate of profit)". (IR 16 p.18)

This not only flies in the face of what Luxemburg herself wrote,

"The increasing productivity of labour ... checks the actual decline in the rate of profit ... though our example shows that (it) ... would not only be retarded but rather completely

(1) In "The Accumulation of Contradictions" in Revolutionary Perspectives 6
"... there is still some time to pass before capitalism collapses because of the falling rate of profit, roughly until the sun burns out." (Anti-Critique, p.77)

but it also points to the inadequacy of her theory. Let us look at her "entire analysis". The vast bulk of the book (specifically Chapters 2-25) is devoted to arguing that the capitalist crisis is caused by "the problem of realisation of surplus value" and of the necessity for "third buyers outside of the wage labour-capital relationship". In the course of this she specifically rejects Marx's theory of overproduction based on the growing organic composition of capital. She quotes at length the passage from Volume III of Capital which shows how the law of the falling rate of profit explains crises of overproduction due to the restriction "of the consumption of the great mass of the population to a variable minimum within more or less narrow limits". Marx ends by saying that the capitalists can only overcome this "by an expansion of the outlying fields of production". To which Luxemburg comments,

"The 'outlying fields of production' are clearly and unequivocally not production itself but consumption which 'must be continually extended'" (The Accumulation of Capital p.345)

"Clearly and unequivocally" what Rosa Luxemburg offers us is a new science of semantics! What the full passage actually attempts to explain is the reason for capitalism's continual outward drive which has its origin in the falling rate of profit and how this leads to a dislocation between production and consumption.

"... to the extent that the productive power develops, it finds itself at variance with the narrow base on which the conditions of consumption rest."

In other words, Marx is simply spelling out the consequences of the rising organic composition of capital. However, to Luxemburg, and her present day epigones in the ICC, this reveals a contradiction in Marx's thought. Luxemburg maintains that the picture of accumulation presented in Volume III of Capital contradicts the diagrams of enlarged reproduction in Volume II. This is because Marx set himself different tasks in the two volumes. In Volume II he was merely laying out the conditions for accumulation, NOT explaining the cause of the crisis. However, Luxemburg was determined to prove her thesis against all odds so she concluded that the diagrams in Volume II must be wrong and that capitalism could not expand without "third buyers".

Had Luxemburg then adhered to this with theoretical consistency the debate between her theory and that of orthodox Marxists might have ended long ago. However, after spending 350 pages extolling the absolutely central necessity to find "third buyers" Luxemburg now admits:

"Nor is the realisation of the surplus value the only vital aspect of reproduction ... The second requirement of accumulation is access to material elements necessary for expanding reproduction." (op. cit. p.355)

So perhaps, after all, our real concern is the development of the "outlying fields of production." This would seem to be the case from her historical examples of capitalist destruction of weaker modes of production. They all illustrate what Marx illustrated in Capital Volume I...
that capitalism extends itself by consuming commodities and investing capital in pre-capitalist areas - but these examples do NOT validate Luxemburg's theory that capitalism cannot accumulate unless it finds buyers who are neither capitalists nor workers.

Indeed, having taken us through these historical examples, Luxemburg is forced to admit that only the falling rate of profit can explain the real nature of capitalist development.

"Cheap elements of constant capital are essential to the individual capitalist who strives to increase his rate of profit. In addition the very condition of continuous improvements in labour productivity as the most important method of increasing the rate of surplus value is unrestricted utilisation of all substances and facilities afforded by nature and the soil." (op.cit. p.357)

This is no different from Marx's view and demonstrates not the compatibility of Luxemburg's theory with that of Marx, but the complete confusion and eclecticism she ends up in, in attempting to develop an alternative crisis theory. After rejecting Marx's description of the circulation of commodities, after ridiculing the idea that the fall in the rate of profit can play any part in the causes of the crisis, Luxemburg asserts "it is the existence of non-capitalist buyers of surplus value which is decisive." (op.cit. p.366) But having had to drag in the falling rate of profit in her historical examples she is forced to make a concession to cover her tracks by saying that the capitalist competition for non-capitalist buyers "incidentally is merely a counterpart of the contradiction implied in the falling rate of profit". (op.cit. p.366) This final sentence, which stands in stark contradiction to all she has written, is never explained. No wonder she is reduced to stating that theory doesn't really matter after all!

"Whatever the theoretical aspects, the accumulation of capital as an historical process depends in every respect on non-capitalist strata and forms of social organisation." (ibid)

This quotation is simply an empty tautology which no-one could disagree with and completely avoids the question of "third buyers". As we shall see later, Luxemburg's insistence that militarism was a province of accumulation only further reveals her flawed understanding of the operation of the law of value.

We have not tried here to demonstrate the totality of the incoherence of Rosa Luxemburg's economic theory, but we have demonstrated that her disciples cannot take refuge in the cozy assumption that eclecticism is a point of strength in her analysis. The fact that she is forced to resort to it at all is because her central thesis simply will not stand up to examination.

LUXEMBURGISM TODAY

Today the International Communist Current defends the same class positions on imperialism and the national question as the CWO, though they can only do so by adopting some of the eclectic methods of Luxemburg herself. In the issue of the ICC International Review 19 there is an article entitled "On Imperialism" though, given that it is concerned mainly with Bukharin and the CWO, it might have been more accurately entitled "On the CWO's View of Imperialism". As it is increasingly unnecessary to expose all the inanities of the ICC (since they are already doing this themselves)(1)

(1) For example, they have capitalism expanding on the basis of shrinking markets(p.9) and despite all the evidence to the contrary, they have Lenin basing his views on imperialism on the falling rate of profit.
we will confine ourselves to a few remarks by way of reply.

In the first place, let's deal with eclecticism. We have shown above that Luxemburg only turned to the falling rate of profit at points when her "saturated markets" either broke down or lacked explanatory power. The ICC have recognised this approach by ignoring the Rosa Luxemburg of the Anti-Critique, the Rosa Luxemburg who told us that the falling rate of profit would only cause the collapse of capitalism after "the sun has burned itself out" and themselves oscillating between saturated (or shrinking - in the minds of these vulgar economists the two appear identical) markets and the falling rate of profit as explanations for the basis of imperialism. (See page 13).

Like Luxemburg, their references to the falling rate of profit are merely to explain away the facts (such as why capitalism sought markets further away from the metropoles during the period of primitive accumulation) or to explain elements of the development of capitalism which a purely markets approach cannot (e.g. why capital concentration preceded the rush for colonies or the fact that the vast bulk of trade was carried on in this period between the advanced capitalist powers). But this does not prevent them from revealing the real feebleness of their analysis on, for example, the question of the creation of underdevelopment.

According to our view, the contradiction of capitalism whereby the falling rate of profit forces the constant revolutionising of the means of production, the capitalists must seek fields of investment, raw materials, sources of cheap labour and markets which help to yield the highest rates of profit - but the necessity to invest such surplus value in new means of production further lowers the rate of profit. The rising organic composition of capital means that less wage labour is required to produce each commodity until today we are faced with a situation where the "Third World" is full of millions of human beings living in pre-capitalist relations but capitalism cannot integrate them due to its need to increase the productivity of its existing labour. (In fact increasing and permanent mass unemployment is the prospect for proletarians already within the advanced capitalist states.) In the view of the ICC under-development is presented almost as a capitalist plot, or policy,

"For what the imperialists wanted was a capital market - a market of buyers who wouldn't become competitors with the metropoles by becoming capitalist producers themselves."

to the extent where the imperialists are seen as having deliberately held back "the development of native capital" and bolstered up "the most reactionary and submissive elements of the native ruling classes" (p.13-14). But underdevelopment is not the result of a plot, a conscious set of decisions to hold certain areas at a low level of development. The best market for capitalist goods is a capitalist market and capital would gladly have developed itself in these areas if it could. But the need to plough back whatever profits were made in colonial trade and invest-ment into the metropolitan countries to offset the fall in the rate of profit there dictated the course of events. The aim of imperialism is to increase the flow of capital to the imperialist nations and this is the material reason why capitalists in those countries had no interest in developing the economies of the colonial countries. As we wrote about Latin America in EP 10:

"The vast bulk of surplus value produced in (the extraction and processing of raw materials) was repatriated to Europe and the US since the imperialist bourgeoisies had no interest in developing manufacturing industry in Latin America which might compete with that of Europe. The comprador bourgeoisie on the other hand
depended for its profits on the maximisation of raw material extraction, and could not fight imperialist domination and develop industry. ... At a time when it might have been objectively possible to break from imperialist domination and begin generalised economic development, there was no class in Latin American society which had a material interest in such a development." (p. 35)

Underdevelopment then was the logic of imperialism, not a policy. However, the above quotation from IR 19 contains another illusion. The ICC nowhere prove in their account of imperialism that the colonial countries were a market for capitalism and they quietly ignore Luxemburgist theory which claims they were a market for the TOTAL new surplus value produced in the round of accumulation. Instead, the ICC agrees with the point we made in RP 6 that the vast bulk of trade at the beginning of the twentieth century was between the advanced capitalist countries themselves, but they try to escape from this fact with a metaphor:

"The 'external' market for global capital was like a breathing space in a prison that was growing more and more crowded. The more the breathing space shrank relative to the overcrowded population of the prison, the more desperately the prisoners fought over it." (IR 19 p.13)

In the first place this is not what Luxemburg would have said. For her the 'external' market represented the total supply of oxygen, not just the extra air. In the second place it proves nothing except that the ICC identifies imperialism with colonialism (something they correctly criticise Lenin for doing). Did the capitalists not also fight over the internal market via ever-heightening tariff barriers, trade wars, schemes of imperial preference and dumping? (1) The tightening of conditions of trade due to the fact that the concentration of capital forced each national capital to protect itself is much closer to the essence of imperialism itself than the transient phase of colonialism. Capital does not need to politically occupy an area to hold it in thrall and in fact, as we shall argue below, the rush to colonies was a relatively insignificant cul-de-sac on the high road to capitalist decadence.

The only other new admission by the ICC is that Luxemburg's Accumulation of Capital "contains some contradictory ideas about militarism as a province of accumulation" - a fact we pointed out to them in RP 6. However, this admission having been gulped out, the ICC then says that "she was basically correct in seeing the war economy as an indispensable characteristic of imperialism (p.12). And that's it! A more honest appraisal might have pointed out that Bukharin's analysis not only is superior (he saw that war production increased the drain in surplus value) (2), but that Luxemburg's inability to see that arms production is not a province of accumulation (since it creates no new value) severely calls into question her whole understanding of the law of value. We hope we have demonstrated here that the 'third buyer' is not only a departure from the central thrust of Marxism but that its originator herself lacked coherence. There is too much work to be done in refining the tools of Marxist analysis to take account of the development of capitalism today without having to chase well-intentioned but theoretically disastrous economic red herrings left over from previous epochs.

(1) See Revolutionary Perspectives 2 p.36-37.
(2) See Chapter XIII of Imperialism and World Economy.
The first point to make about Lenin's theory of imperialism is that it is no theory at all. Much of the force of its argument he takes from Bukharin whose work, Imperialism and World Economy he read before beginning his own work (though strangely Bukharin is only mentioned once - p.48). The book is subtitled "A Popular Outline" so it is quite laughable to see the attempts of academic Marxists (i.e. bourgeois Marxistologists) treating Lenin's small book as THE Marxist theory of imperialism. Lenin did not analyse the causes of imperialism as Bukharin did though he took Bukharin's observations, Hilferding's description of finance capital and Hobson's empiricism to create an impressionistic work which is mainly valuable in that, like Bukharin, he raises the question about the significance of the new epoch.

"... the capitalism of free competition ... is passing away. A new capitalism has come to take its place, bearing obvious features of something transient, a mixture of free competition and monopoly. The question naturally arises: TO WHAT is this new capitalism "passing"?" (Imperialism, the Highest Stage of Capitalism)

Lenin, however, cannot provide more than a skeleton answer to his own question. For Lenin "the tendency to monopoly" not only "assures to the combined enterprises a more stable rate of profit" but allows "the acquisition of superprofits" (p.15) which will be utilised "for the purpose of increasing profits by exporting capital abroad to the backward countries."(p.73) This is totally different to Bukharin's rationale. For him capital and commodities were exported to maximise profits to offset the decline in the rate of profit. For Lenin, the rate of profit doesn't enter the issue at all(1) (he only mentions it once, inadvertently in a quote from Hilferding). For him monopoly conditions allow capitalists to exact superprofits which have to find outlets abroad.(2)

"... colonial possession alone gives the monopolies complete guarantee against all contingencies in the struggle with competitors ..." (op.cit. p.98)

However, colonialism, the physical occupation of overseas states, represented simply an immature phase of imperialism. The scramble for colonies wasn't motivated by the actual gains that the leading imperialist powers were making, but by potential gains. British India was known to yield colossal profits (£25 millions per annum) and to many imperialists, including the British, this was seen as the source of British strength. The attempt to emulate this sparked off the scramble for Africa amongst the European powers after 1880 when the fall in the rate of profit increased the urge to export capital, seek cheap raw materials and labour and new markets as tariffs increased in the old ones. As we wrote in "Capitalism in Black Africa" in IR 6,

"The scramble was undoubtedly motivated by aims of economic gain; in the bulk of cases these proved meagre or illusory ... The initial expectations of Africa as a huge market were speedily dashed." (page 30 and 31)

(1) The ICC's lies (for that is all they are) on this question in IR 19 are a disreputable attempt to saddle Bukharin with the blame for Lenin's idiocies and thus to undermine Bukharin's coherence. This is clear from the way Lenin's theory becomes "Lenin, Bukharin and their followers"(p.11).
(2) This theory has its echoes today in that of Baran and Sweezy who follow Lenin to the point of arguing that monopoly conditions not only negate the law of the rate of profit to fall but also produce superprofits, or what they call surplus which can't find markets. All of which only goes to show what happens when value theory is abandoned - a return to bourgeois marginalism. 
Thus when the imperialist powers like Britain and France began to "abandon" their colonies after World War Two it did not provoke the crisis of capitalism that Lenin had expected. Whilst, on the one hand, the older imperialist powers found the costs of colonialism greater than its benefits, they also discovered that imperialism was more profitable when not associated with colonialism, especially when "national liberation" movements assisted by either American or Russian capital began to appear. It was easier to install a so-called "national bourgeoisie" and continue to dominate the colonies economically than to fight a protracted battle or to carry on paying the administrative costs of colonialism. And, apart from occasions when the former colonial nation has gone over to the other bloc, this policy has worked. No truly independent national bourgeoisie can exist today in these countries for the very fact that the global organic composition of capital is so high that only those nations with an already established huge mass of capital can hope to generate meaningful investment.

"The sheer scale of capital developments today means that only foreign capital can develop in Africa; and this will only be in the time honoured enclave manner, tied to the world market and leaving the local economy lumpenised. Contrary to what many think ... the organic composition of capital ... is as high in Africa as it is anywhere..." (RP 6 p.37)

This is why imperialism has an even stronger hold over the less developed world and why global capital accumulation for these countries means only further stagnation and an early descent into barbarism. As with the ideas of all revolutionaries, Lenin's errors on this question are not simply theoretical. The manner of the Communist International's degeneration under the growing weight of the international counter-revolution was clearly determined by these ideas. Looking at the support of German social democracy for the First World War he concluded that,

"Imperialism has the tendency to create privileged sections also among the workers and to detach them from the broad masses of the proletariat." (op.cit.)

In other words, the workers of Europe had been bribed by the spoils of capitalism and thus had become an aristocracy of labour. From this it was just a short step to replace the proletariat as the subject of revolution with a more populist view of class struggle. He directed the Communist Party to:

"... win away from the bourgeoisie the small proprietors who are duped by them and the millions of toilers who have been placed under more or less petty bourgeois conditions of life." (op.cit. p.8)

These same "small proprietors" in Russia Lenin had unequivocally denounced as petty bourgeois and incapable of playing any part in the struggle for socialism in his polemics against the Narodniki in the 1890's. Lenin's position on the colonial question now made him a Narodnik on an international scale. In a speech on November 22nd 1919 he announced that,

"... the Socialist revolution will not be only, or mainly, a struggle for the revolutionary proletariat of each country against its own bourgeoisie. No, it will be a struggle of the the colonies and all countries oppressed by imperialism, and all dependent countries, against international imperialism." (Quoted in Lazitch and Drachkovitch, Lenin and the Comintern Vol.I page 366)
The distinction between "exploiting" and "exploited" nations as opposed to classes was complete opportunism which was a product of the counter-revolution reinforced by Lenin's already erroneous position. Nowhere was this seen more clearly than in the Ruhr in 1923 when France invaded a demilitarised Germany. The German Communist Party (KPD) called, as it had been doing since 1921, for a united front but this was to not only include the past butchers of the proletariat in the Social Democratic Party (SPD), but their future butchers in the nationalist parties. The justification for this was that the Treaty of Versailles had turned Germany into a colony of the Entente powers. It was left to Radek, a former supporter of Rosa Luxemburg's views on the national question, to provide the rationale for the capitulation of the Third International.

"The strong emphasis on the nation in Germany is a revolutionary act, like the emphasis on the nation in the colonies."

(E. Carr, The Interregnum, page 177)

Lenin's views on the national question were as disastrous as they had been on the colonial question. For possible short term gains in support, the clarity of the struggle for communism in the long term was obscured. And for the proletarian national minorities in the former Russian Empire there were no gains at all. The granting of independence to Finland only encouraged the local bourgeoisie, with Swedish and German help, to massacre the local proletariat. There is no better illustration that the handing over of "The right of the peoples of Russia to free self-determination up to secession and formation of an independent state" was simply the abandonment of a section of the proletariat to the machinations of world imperialism. However, it is the long term confusion which Lenin's position on the national and colonial question has created which today's communists must fight.

CLASS WAR OR IMPERIALIST WAR?

Whilst the CWO criticises the majority position of the Communist International on the national and colonial question, it holds firmly to the basis of the Third International's founding tenet in 1919:


The material basis for the understanding of this new epoch of capitalist decay we have demonstrated elsewhere. (1) What here concerns us are the forms of that decay which were so clearly outlined by Bukharin over 60 years ago. The tendency for stratification of capital has increased to the point where one whole bloc of states on the planet has totally nationalised economic forms, whilst the greatest feature of decay has been imperialism and the massive destruction of productive forces that its wars have entailed.

The history of imperialism over the last three quarters of a century has been the history of the ever growing concentration of capitalistic and militaristic power. At the beginning of the century there were several major powers whose imperialist manoeuvrings led to the system of alliances producing World War One. The first imperialist war so exhausted the antagonists that none of the original belligerents can be said to have won it. British capitalism collapsed as surely as German on the fields of Flanders. The Second World War completed this process.

(1) See the articles cited earlier in RP 2 and RP 10.
Henceforth the USA would be the dominant power of world imperialism, challenged only after World War Two by a Russian imperialism newly devastated but capable of seizing the constant capital of Manchuria, Czechoslovakia and East Germany to develop her industrial base. The two rounds of imperialist war have not only helped to re-fund capitalisation by their devaluation of capital (through both physical and moral depreciation) but capitalism itself has undergone a profound change in its economic basis.

In the nineteenth century the country with the highest organic composition of capital found it easiest to dominate the world market. Given the high organic composition of capital its commodities had a low value content and therefore could undersell any other commodity. The cheap prices of its commodities are "the heavy artillery with which it batters down all Chinese walls" (Communist Manifesto). It was thus possible for a geographically small nation on a relatively small mass of capital, like Great Britain, to dominate the world market for a lengthy period. Today no such David-like feat is possible since the global organic composition of capital is so high that those nations with the highest organic composition of capital (like West Germany) cannot benefit from this without having the necessary MASS of capital. This explains why a country like Russia, which has a lower organic composition of capital than West Germany or Japan still has the ability to act as an imperialist power. This also explains the difference in the nature and capacities of the two major imperialisms. The USA, with its high organic composition of capital, is in a position to enforce economic domination on the globe in a way similar to Britain in the nineteenth century, except that the scale of this domination is of course much greater. This is why it can afford to withhold military aid to its NATO ally Portugal in Africa or to watch whilst erstwhile pro-Soviet guerrillas are taken into the fold in Zimbabwe. It knows in the end that if these "national liberation" movements want the biggest loans for economic development then they must turn to the USA. On the other hand, as long as these "national liberation" movements require arms and military assistance then the Soviet Union is in a much better position to compete with the USA, and indeed, given the alliances which the USA often has with the former colonial powers, then the USSR has a slight advantage. Thus, the two post-Vietnam strategies of imperialism are revealed - the "peaceful" strategy of the USA which keeps its powder dry but, as in Angola with Gulf Oil, steps in the minute the local war stops; and the sabre-rattling strategy of the USSR which has a vested interest in turmoil and instability.(1) This does not mean of course that the USA is any less aggressive than the USSR, but it does have the permanent advantage of having two weapons - military and economic, whilst the latter has only the military alternative as serious competition to the USA. The USSR, being the more inefficient imperialism, has to direct, relatively speaking, a vastly greater amount of surplus value into arms production which, because it is such a great drain on surplus value, can only be recouped by large sales abroad.(2) This, however, means that capitalisation of more productive investment is lower, thus maintaining USSR economic weakness vis-a-vis the USA.

Despite the war cries in the West about the strength of USSR imperialism then, cries put about by Western politicians leading the rearmament drive,

(1) It should also be noted that imperialist motives are not always economic. For example, the USSR pours billions of dollars into Cuba for little return, except a possible military base in Latin America. More recently Russia has extorted repayment in the blood of Cuban workers in Angola and Ethiopia.

(2) Though arms production is a net drain on global surplus value, individual capitals can accumulate via arms sales to other capitalist nations. (See RF 6 for an expanded explanation.)
the USSR is undoubtedly the weaker imperialism. The evidence for this already exists in abundance. Incapable of maintaining economic aid to its bloc, it is forced to see its bloc members distance themselves on Rumanian lines, or to sue for US aid as Vietnam and Cuba did. In order to forestall these overtures the USSR has to split its satellites from US rapprochement by inciting them to adventures hostile to the West (Cuban troops in Africa, Vietnam's attack on Cambodia).(1) The latest sign of such weakness is the USSR's own adventure in Afghanistan which is a direct reply to the build-up of US missiles in Europe. It has not only enabled the US to portray the USSR as breaking out of its 1945 boundaries, but Carter's State of the Union speech of January this year, with its "Hands off the Persian Gulf" message, was the first definition since 1947 by US imperialism of "its" territory. There can be little doubt that the acute political and economic disparity between the two imperialist blocs at the same time as their much closer military parity, has already created a dangerous situation for the existence of humanity. For the USSR a military response to the decline of its politico-economic situation will become more attractive. Whilst a further worsening of the crisis is the general perspective required for war to be attractive to the imperialists, and whilst they still have the hope of making the world working class pay for it, the present situation of USSR bluffs to prove it can't be pushed around could provoke a conflict for which neither power is as yet fully prepared.

The above discussion has been about the two imperialist powers. It might be objected that this ignores British or French or East German "imperialism". However, to call these powers today "imperialist" (except in so far as they might carry out the wishes of their imperialist overlords in the USA or USSR) is to debase the term. For the CWO an imperialist power is one which is capable of dominating other powers and which, in the last resort, can compel them to take actions not directly in their own interests. It is true that these lesser powers have their own national interests but these cannot be attained except in so far as they either do not conflict with, or else coincide with, the interests of one or other imperialist power. This can be illustrated through two examples.

Britain is an ex-colonial and former imperialist power which today, despite the odd Colonel Blimp in the Tory Party and his counterpart in the IRA, is totally incapable of acting as an independent power. The USA supported many of the anti-colonial struggles in Africa and Asia against the former colonial powers like Britain and France and in Britain's case forced it out of lucrative markets in Argentina.(2) The final confirmation of the ability of the US to control its own bloc was shown in the Suez fiasco in 1956. Here Britain and France attempted to carry out an attack against the then client state of the US, Egypt and were forced into ignominious retreat by the US. The fact that the French ruling class have always been uncooperative with the USA (which had also supplanted them in Vietnam) in no way means that France is a separate imperialist power.

A more recent example which shows the necessity for client states to have imperialist backing was the Vietnam-China war last year. Vietnam's national interest in destroying the Pol Pot regime in Kampuchea could not have been carried out without the military assistance of Russian imperialism. It was in Russian imperialism's interests to strengthen Vietnam and encircle China (as well as losing Vietnam possible US economic aid)(3). On the other side, China, whose support from the USA

(1) See "Rumours of War in Revolutionary Perspectives 15.
(2) See "Argentina- June Days" in Workers' Voice 16 (20p).
(3) See "The 'Balkan' War in Indo China" in Revolutionary Perspectives 13.
was less than enthusiastic at the time, found it impossible to crush Vietnam. This was an inter-imperialist war but it was fought between clients of the USA and the USSR and the outcome was determined by the lack of integration of China into the US bloc.

Not all wars today are, however, imperialist wars. What we must recognise is that history has bequeathed to imperialism many problems from previous epochs which often threaten the unity of a particular bloc. This naturally leads to many contradictions. For example, no nation has a vested interest in holding Ulster. Neither the Irish Republic nor the UK want it. (1) The IRA and the Protestant para-military forces represent no imperialist powers and whilst the USSR benefits most from the instability in Ulster, it is the money which flows from Irish-American bank accounts that keeps the IRA going.

Seeing all wars as imperialist wars in this century and all countries, however small, as imperialist, leads to a denial of capitalist decadence. As we argued above, communists today deny that "national liberation" is possible under decadent capitalism; but if it is argued that a new nation (e.g. Vietnam) is now an imperialist power in its own right then we are talking of a successful struggle for national liberation. If, however, as we maintain about Vietnam et al., its local battles are in the interests of the imperialist state which helped it win so-called "independence", then our theory of decadence is confirmed.

However, if all wars are not necessarily imperialist wars, we must firmly state that in the epoch of capitalism's decay there is only one progressive war - and that is the class war. All other conflicts are bourgeois nationalist faction fights (e.g. Ulster, Greece/Turkey) or inter-imperialist conflicts (Zimbabwe, Afghanistan) and on no account can revolutionaries give these kind of conflicts any support, however "critical". The realisation of capitalist decadence means that there are no longer any progressive tasks for capitalism to carry out. The key to human progress is in the hands of the proletariat and in the epoch of imperialism revolutionary defeatism is our watchword in every struggle. In this fight we must be ready to face up to both the physical and ideological preparations of the bourgeoisie. For every imperialist war the bourgeoisie thinks up high-sounding phrases to hide the real nature of the conflict. In 1914 workers were told by the bourgeoisie (who were supported, as they have been even since, by the unions) that they were defending civilisation. In 1939 the crusade against fascism or bolshevism was used to dragoon workers into killing their class brothers. The next time round it could be to defend the "national liberation" struggle of Israel, Palestine, Vietnam or Zimbabwe.

But this is only another smokescreen, and all the left-wing factions of capitalism, forever seeking something to support, will join in the imperialist chorus. "Mugabe's victory is our victory", trumpeted by the SWP is only one such line of support for imperialism. Perhaps they will tell that to the workers of Zimbabwe who have been sacked for striking for higher wages? "Mugabe's victory is our victory" is correct where "our" is the imperialist bourgeoisie of whichever camp he eventually receives the best offers from. It is the same story as in Vietnam, Angola, Cuba or wherever the "local bourgeoisie" have claimed to have liberated the proletariat in the last sixty years. What is in store for the workers of Zimbabwe is the same increase in exploitation as that faced by the workers in Angola, Vietnam, etc; or perhaps they might end up like Cuban workers as cannon fodder in the fight for Russian imperialist interests. "National liberation" means proletarian enslave-

(1) See "Marxism and the Irish Question" in Revolutionary Perspectives 15.
ment as the Cork Soviet workers attacked by the IRA, or the Saigon Commune workers massacred by Ho Chi Minh could testify had they survived. "National liberation" is impossible in the imperialist epoch and it offers the working class nothing. The real civil war is the class war to end the system of exploitation of decadent capitalism.

ZIMBABWE: EXPLOITATION AS NORMAL

The coming to power of Mugabe and ZANU in Zimbabwe represents the final completion of the policy adopted by the British bourgeoisie two decades ago. The bloody events of the late 50's in Kenya, South Africa and elsewhere, decisively convinced them that the interests of British capitalism were best served by giving power to African nationalist regimes in the colonies and granting formal independence. This policy was announced specifically to the white settlers by the British Prime Minister, Macmillan in his "winds of change" speech which he delivered in the South African parliament in 1960. Three years later the federation of the Rhodesias and Nyasaland was officially dissolved and nationalist regimes were installed in North Rhodesia and Nyasaland, which changed their names to Zambia and Malawi respectively. In South Rhodesia the installation of a nationalist regime acceptable to the bourgeoisie of the Western bloc has taken a further 17 years. For much of that time barbaric civil war has raged. The reasons for this delay are twofold. The first is the feeble lack of resolution of the British bourgeoisie which only ended in the late 70's with the intervention of US imperialism which saw that any "peace" would be in its interests. The second is the deep divisions within the Rhodesian working class. The more far-sighted sections of the bourgeoisie, whose interests lie in mining and engineering, have, from the start, realised the hopelessness of backing the Smith faction. The narrow interests of the farmers, which are expressed through the Rhodesian Front Party and Smith, are clearly unable to ensure stable capitalist development and a submissive proletariat. The Smith faction has sustained itself by prosecuting its interests in racist terms and rallying the white workers behind it. It has survived by making use of the deep divisions in the working class. To understand how it has been able to do this it is necessary to briefly review the history of the formation of the Rhodesian working class.

The modern history of Rhodesia began with the discovery of gold in the Transvaal in 1886. The British, thinking the gold reef extended north, and wishing to surround the Transvaal with British territories, promptly set about acquiring what was to become Rhodesia. The King of the Matabele, who were the most powerful tribe in the region, was soon forced to sign a treaty granting Rhodesia South Africa company all the mineral rights in the territory. Although the king was unable to read or write he understood exactly what the British intentions were and rather pathetically described himself as a fly being stalked by a chameleon. After the first column of settlers had established themselves in the Salisbury area it was only a matter of a few years before the British totally destroyed the power of the Matabele. Having taken possession of the country, the settlers were now faced with the task of turning defeated tribesmen into wage labourers who were now needed for the mines, industries and farms. This was not an easy process.
In the 1890's major projects such as the Beira/Salisbury railway line were only completed by shipping in indentured Indian workers and using force to recruit native labour. However, as the British strengthened their grip on the country they were able to proceed from military victory to the systematic destruction of the material basis on which tribal society was constructed. They confiscated most of the land on which the tribes lived and forced them to live in clearly defined "reserved lands". They also imposed taxes. These taxes, such as the hut tax, forced the tribesmen to sell their labour power in the capitalist centres. Initially the tribesmen regarded this as only a temporary ordeal.

Although the labour power provided by the migrant labour system was dirt cheap, the bourgeoisie gradually realised its extreme inefficiency. What they required was a stable, permanent workforce having industrial skills. This meant a permanent black proletariat. The white workers, who had emigrated from Europe and been proletarians for generations, immediately saw the black workers as the means by which the bourgeoisie would bring about a general lowering of wages. It has suited the bourgeoisie to reinforce these racial divisions within the working class. The white settler bourgeoisie has, with great success, presented the black workers as the real enemy of the white workers and preached solidarity between white workers and bosses against blacks. The historical divisions in the working class have been preserved by legislation such as the industrial colour bar and the enforcement of separate residential areas. As late as 1955 the British Foreign Office gave its blessing to a trip by TUC officials to set up a black mine workers' union in Rhodesia. For their part, the black bourgeoisie had proclaimed that the black workers' struggle against exploitation was really a black nationalist struggle against the whites. By the 1950's the bourgeoisie realised that the advantages gained in maintaining these artificial divisions in the proletariat were no longer worth the cost of maintaining them.

At the start of the 1950's the bourgeoisie was still determined to continue with the organisation of exploitation which had existed from the start of the century. It was simply to rationalise this system and reduce the cost of its administration that the Central African Federation was set up in 1953. The Federation was dissolved ten years later. During these ten years things had changed to the extent that in Zambia the mining bourgeoisie could announce, the year after independence, that it was in favour of "Zambianisation". The same year the power of the white mine workers' union was broken and blacks were promoted as rapidly as possible, though not of course at "the rate for the job". "Zambianisation" has involved ending the inefficient racial divisions in the proletariat, but its real attraction for the bourgeoisie was that it also meant an overall reduction in the wages' bill of the mines.

The Rhodesian bourgeoisie resisted these changes and consequently Britain was not prepared to grant independence. The ensuing conflict has been nothing more than an inter-bourgeois conflict in which the racial and tribal divisions in the proletariat have allowed the various factions to recruit workers as cannon fodder.

Today Mugabe and ZANU emerge from this conflict as the new administrators of capitalism in Zimbabwe. Although ZANU came to power with the help of Russian guns the Eastern bloc is totally unable to give them the capital they require for rebuilding the economy. Their failure to provide Mozambique with anything more useful than rifles demonstrates this. An indication of Mozambique's disappointment with state capitalism was given in Machel's removal of the slogan "Down with Capitalism!" from above the National Bank in Maputo to be replaced with "Down with Racism!". Clearly he hopes for Western investment where Russian has failed. Now that the
Conflict is over in Zimbabwe it is inevitable that Mugabe will also move towards the Western bloc. ZANU's recognition of this fact is reflected in their manifesto, which, far from being revolutionary, is only mildly state capitalist. It promises to introduce a more efficient organisation of capitalist exploitation. Nothing more radical than what has been done by the West's ally, Kaunda of Zambia, is proposed. Anachronisms such as racial discrimination are to go. Education and health services are to be improved. However, no expropriation of capital is planned, only state participation. Even the land for the resettlement programme is to be bought from the whites. Mugabe announced that the Rhodesian economy was founded on capitalism and it was on this he intended to build. A senior ZANU official declared that he did not believe there was "a single real Marxist in ZANU" (Financial Times 5.3.80). Mugabe has agreed to honour the country's foreign debt. He proposes to seek loans from all the major capitalist powers in the Western bloc, to seek membership of the World Bank and negotiate a special relationship with the EEC. Trade with South Africa is to continue as before and he has promised not to provide camps for African nationalist guerrillas. Since the election of ZANU the Salisbury stock exchange has shut up, Rio Tinto Zinc has announced a programme of £25m investment in Zimbabwe and Lonrho has promised to invest £3m in a daily newspaper which will reflect Mugabe's views.

If any doubt about the nature of the new regime in Salisbury could remain, ZANU's suppression of the recent wave of strikes must have dispelled it once and for all. During the war wages had fallen by 40%. When the workers struck the question of the class nature of the regime was posed in the most direct way possible. The bosses responded by mass sackings of the striking workers since striking is still illegal in Zimbabwe. The ZANU Government was immediately forced to choose sides. Needless to say it supported the bourgeoisie; urged the workers to go back to work and "be patient". In August 1978 miners at Zimbabwe's largest copper mine went on strike for higher wages. Smith's police had to shoot four miners dead and wound dozens before they returned to work. Today, the same miners with the same demand are coaxed back to work with soft words. Mugabe's nationalisation makes him a more subtle strike-breaker than Smith. It gives him the weapons he needs to break the class struggle.

There can be no question of Zimbabwe being independent. She is totally entangled in the spiderweb of world capitalism and the loans Mugabe is now negotiating will make it impossible for her to even determine her own internal economic policies. The events in Africa, particularly in the adjacent states of Angola and Mozambique, prove the complete impossibility of national liberation. These regimes, which trumpeted out their commitment to "socialism" (by which of course they meant state capitalism) a few years ago, have since opened their doors to private capital and promise repatriation of profits and tax exemptions, while workers who have dared to strike rot in their gaols.

The coming to power of ZANU will, without doubt, accelerate a similar nationalist and anti-working class struggle in South Africa. Practically everything described above applies also to South Africa. The differences are simply that the ruling white nationalists are in a stronger position than Smith and the divisions in the proletariat are more entrenched.

The Stalinists and Trotskyists who hail Mugabe's victory as a victory for socialism and anti-imperialism reveal the bourgeois basis of their politics. For them "socialism" must therefore be consistent with breaking strikes and "anti-imperialism" with capitalist investment. What they mean is that they side with Mugabe in breaking the miners' strikes. In short, they support bourgeois interests against proletarian interests.
The leftists, through their support for black nationalism and their lies about its socialist content, actually strengthen the divisions within the working class.

Communists in Zimbabwe would have denounced both Smith and Mugabe as bourgeois agents. They would have pointed out that the difference between them was no more than a slightly different organisation of capitalist exploitation. They would have attempted, through their propaganda and intervention, to prepare the ground for class unity between black and white workers, not only in Zimbabwe but also in South Africa. Far from being unrealistic, this is the only road which can lead to the communist revolution.

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**TASKS OF THE REVOLUTIONARY ORGANISATION**

(Public meeting between the International Communist Current and the Communist Workers' Organisation, 23rd February 1980 in London.)

There took place in February the second in a series of public debates between the CWO and the ICC on the issue of the tasks of communists in the class struggle. (A report of the first meeting is given in Revolutionary Perspectives 14.) The second meeting continued the discussion initiated by the first, but centred more on the present tasks of revolutionaries in the context of a rise in the class struggle and intensification of the bourgeoisie's preparations for war.

The introductory address of the CWO attempted to locate the roots of and highlight the differences between the CWO and the ICC in their views on intervention in the class struggle, and in particular in the recent steel strike in Britain. Against the view of the ICC that we were not involved in the class struggle (WR 28), we pointed out our physical presence at the picket at Hadfields private steelworks in Sheffield, the clashes at steel stockholders in Motherwell, and the fact that at Jarrow a CWO member had his leaflets burned by the union, so clear was its message. But we also concentrated on showing the differences between our intervention in the steel and other strikes, and those of the ICC, which remained propagandist and abstract. On the other hand our leaflet:

- raised the issue of war and revolutionary defeatism,
- offered advanced workers a perspective, via the formation of factory groups,
- tried to lead the struggle forward by the formulation of demands,
- pointed out the terminal nature of the crisis, and the need for communist revolution.

Since we believe that none of these things emerge automatically from the class struggle, we think it is the task of communists to take a leading role in their formulation. Our comrades traced these differences in intervention to the differing conceptions on the role of the party and the development of class consciousness held by our two organisations. Whilst the CWO believes it is necessary for the party to lead the class, the ICC argues that consciousness comes via the class' own experience, and the task of the party is to speed up an automatic process.

The debate which followed illustrated these differing views. ICC
members defended the sufficiency of spontaneously created "workers circles" for the tasks of the class struggle, and said that it was artificial for communists to set up any others. They also argued that it was "up to the workers" to formulate demands, pointing to the 20% demand in the steel strike as an example of autonomous class consciousness. In return CWO members defended the idea of factory groups as a means by which the party could integrate militant workers into itself, and have an influence on the class struggle. We also argued that our militants could not be dumb in struggle. As well as pointing out the means needed to wage struggle effectively, we had to formulate demands round which the class had the potential to unify. In the steel strike, for example, private steelworkers couldn't unite with those in the nationalised sector for a 20% rise; our demand should be the same wage for all steelworkers as a unifying tactic.

In conclusion, the CWO spoke about the significance of the debate in a concrete way, against the ICC litany that discussion should be seen as part of a regroupment process - whose mechanisms they never outline. Our differences with them on the role of the party involve differences on the tasks of communists in the revolution and during the transition period to communism, about which we have often polemised. But it is now becoming clearer that these divergencies have parallels in relation to the class struggle today. Under the criticisms of the CWO (and other groups, such as the Partito Comunista Internazionalista) a shift in the ICC's position in relation to the tasks of revolutionaries is taking place; contradictory and unacknowledged, but a shift nonetheless. This shift remains at a formal level, and has not led to a re-working of the practical interventions of the ICC in the class struggle. Instead, a series of unexplained novelties has served to cover their tracks. Under the further pressure of CWO criticisms, the ICC may be forced to abandon its views on intervention, which will lead them to a re-examination of their councilist tendencies on the issue of organisation. This in turn, could lead to a further questioning of their views on the transition period in relation to state and party. If this happens, THEN we can talk about regroupment. In the meantime, to those within the ICC who share the CWO's criticism of its politics, we say, as we always have, that their place is in the CWO whose influence in clarifying the ICC's confusion has been greater than that of their internal dissidents. Our intransigence in this debate is a mark of the danger we see in the ICC's becoming an obstacle to the class struggle, not only in the future, but also today.

PUBLIC MEETING

A C.W.O. public meeting on "WAR or REVOLUTION" will be held in London in early June. (Further details from local press; forthcoming leaflets; or from the group address.)
CWO INTERVENTIONS

In this issue we are re-printing two leaflets which we have distributed since the last RP, in addition to our regular bulletin, Workers' Voice (available from the group address). This increase in our intervention reflects the need for communists to make an impact on the developing class struggle and to combat the intensifying preparations of the bourgeoisie for war. We hope the leaflets are an expression of the CWO's ability to rise to the needs of the present situation, and also that we are developing a strategy for intervention in the types of struggles which characterise its present period (as distinct from the class-wide generalisations of 1968-74). The first leaflet, "Prior Warning", needs little comment: it was distributed at the TUC demonstration in London on March 9th, and at demonstrations and leftist meetings around the country. It aims to demolish the myth that either a political party - or, even more idiotic, the psychological disorders of Thatcher - is responsible for the present attacks on the class and it lays the blame at the door of the capitalist system, pointing out that Labour's policies would only be a phased-in version of the same thing.

The steel strike leaflet requires more comment. This was distributed in the early part of the strike and tried to show that union control of the strike could only lead to its defeat. It was distributed to Hadfields and other pickets in Sheffield, the confrontations at Steel Stockholders in Motherwell, and at pickets in Newcastle. The subsequent development of the strike confirmed the analysis we made in those early days. The ISTC and other unions eventually called off the strike after thirteen weeks, for a basic wage rise of 11% (i.e. a wage reduction of 8% given inflation) and local productivity deals giving another 4/5% (i.e. speed-ups and redundancies). In addition, the question of the massive imminent redundancies in the industry wasn't even broached by the unions. Sirs announced that the fight on this issue was "just beginning", confident that the defeated and exhausted steelworkers will be unable to fight redundancies, at least on a national level. In few strikes since the war can the role of the unions have been so clearly outlined: they exist, not to "defend" the working class, but to contain the class struggle within bounds acceptable to capitalism; and to get the class to accept austerity in the interests of the survival of capitalism. The attempt of some steelworkers to storm the union headquarters when the Lever formula to end the strike was accepted by Sirs indicates that this realisation has not been lost on at least some workers.

FLYING PICKETS: NAILS IN THE COFFIN OF THE STRIKE

The ability of the unions to use tactics developed by the class, and to turn them into weapons against the class, was once more shown in this strike. The ONLY way the steel strikers could have defeated the quite deliberate attack launched on them by the bourgeois state, was to have taken on this state, with the solidarity of other sections of the class. Steel stocks were so high and industrial production so sluggish that the only tactic possible was to have called on solidarity action from transport workers (dockers, airport workers, lorry drivers, railwaymen) from the beginning, and stopped all steel movement. Instead the unions used the tactic of the flying picket to disperse the workers and squander their energies in a futile effort to plug the cracks in the production and movement of steel. The ISTC successfully turned the steelworkers' anger NOT against the state,
but against the private steelworkers, whose pay claim the union
defered until April and refused to link up to that of the ESC workers.
Notably the move to end the strike came with the solidarity action of
the Liverpool dockers with the steelworkers and the threat of a national
dock strike in sympathy with them. The euphoria displayed by some
groups - like the ICC (see WR 28) over the action of the pickets in the
steel strike is entirely misplaced. The leaflets printed here show
our determination to formulate not only a political presence in the
class, but also a practical one. By the latter we mean BOTH suggesting
tactics by which workers can solidify their struggles and practical
demands which communists can support in order to help unify the class.

THE ISSUE OF "DEMANDS"

The CWO, like other groups in the communist milieu, is faced with a
revival of class struggle, and a need to relate to it. For inter-
vention in the class struggle truisms are NOT enough, i.e. the slogan
that communism is necessary and that workers must unite as a class
across sectional/unemployed barriers, etc. The class can only
understand this when it is becoming communist; it is not so at the
moment, and therefore, how do communists establish bridgeheads into
the working class? There was a time when the CWO believed that,
although we would play a directing role in the revolutionary struggle
itself, in the daily struggle of the class on the other hand, we could
only play an oppositionist role. Our interventions could only be
limited to propaganda, not attempting to LEAD the struggle itself.
Today we don't believe that the party can be a deus ex machina in the
revolution; it must begin to establish itself in the class, and to
grow, in order to carry out its future historical tasks. A group
incapable of leading at least the more positive aspects of the daily
class struggle, will be similarly incapable of leading the class in
the revolution. Therefore, we have taken up the arduous, difficult
task of establishing practical methods and goals for communists to
act around in the daily class struggle. In such a process divergen-
cies will appear, mistakes will be made; this is not the crucial fact.
The crucial fact is that the CWO is capable of overcoming its mistakes
since they result in a divergence from its politically correct basis.
Columbus was heading in the right direction for India; simply because
he found America doesn't invalidate this.

An example of an inadequately formulated demand was that of "work-
sharing" which we mentioned in RF 16. The issue was discussed in
terms of one over which a rearguard action could be fought in the
event of a defeated struggle against redundancies. The way we
formulated it might have implied accepting short-time and a cut in pay,
when what we meant was to argue for a cut in working-time with no loss
of pay. The ICC's attempt to seize upon this as an example of the
slippery path that demands lead to is little short of ridiculous.

So is the argument the ICC defends that demands were only advanced
by revolutionaries in the nineteenth century because they were then
objectively possible.

"In the epoch of the ascendancy of capitalism ... one of the
tasks of revolutionaries was to formulate demands for the
class's immediate struggles. ... Such a programme ... was based
on the real possibility of achieving these demands, since
capitalism was an expanding system. But such a programme can
have no use for the working class in the period of capitalist
decay, when reforms are no longer possible." (WR 29, p.26)

It is a great over-simplification to say that revolutionaries made
demands in the nineteenth century because such demands were possible to achieve. That is, while leaving communist demands for the future, put forward attainable reformist demands in the present. In the first place, in every struggle at that period, revolutionaries put forward, or pointed out, the longterm aim. For example, Marx's comments in the Communist Manifesto about communists showing the line of march, and the ultimate goal; or in Wages, Prices and Profit, about the unions inscribing the abolition of the wages' system on their banners. Marx and Engels (though probably not social democracy as such) did put forward demands in concrete situations which were shorter and UNATTAINABLE. Thus, in the aftermath of the revolutions of 1848 Marx said,

"In the beginning of the movement, the workers will naturally not be able to propose any direct communist measures, however they (must) ... if the petty bourgeoisie propose to buy out the railroads and factories ... the workers must demand that they simply be confiscated by the state without compensation. If the democrats propose proportional taxes, they must demand progressive taxes ... the rates of which are so steep that capital must soon go to smash as a result; if the Democrats demand the regulation of the State debt, the workers must demand its repudiation ..." (Address to the Central Committee of the Communist League)

In 1884 Engels advised Bebel that the SPD should put forward the demand for the establishment of rural workers' co-operatives on the Junker estates; Bebel rejected this as impracticable. Engels agreed that the party should only put forward practicable demands,

"But objectively practicable, not necessarily practicable for the present government. I go further, when we suggest socialist measures, like this one, calculated to lead to the overthrow of capitalist production, then only measures which are objectively practicable, but impossible for the present government ..." (Engels to Bebel, 20th January, 1886)

The actual demands here are not important; what is, is their use to divide off revolutionaries from capitalism and to provide a focus for class unity. We can make mistakes, and will do so on specific issues. But the issue of demands itself is a vital one, especially in the defensive, sectional struggles which are erupting today. If we accept that the class can't unify around abstractions and truisms, then we accept it can only unify around demands, and that communists have a role to play in the formulation of these demands. In such a situation we cannot take practicality into account: today the only "practical" demand in workers' struggles is austerity. Our demands have to be those that can inspire and which tend to unify the class as the basis for the overthrow of this system which can offer nothing but further austerity and World War. The ICC position that demands are a deviation from the real issue of pointing the way forward is erroneous. It is NOT the CWO which is tackling this issue, which has been loth to include the absolute necessity of a communist revolution in its interventions, but the ICC, which HAS NOT dealt with the demand question! All our interventions recently have tried to COMBINE these two aspects. The ICC's attempt to deal with the issue of demands has led them along the slippery slope - to accepting the idea of demand-raising. For example, in World Revolution 29 (p.27) they say,

"... the CWO's call for a flat-rate wage increase is supposed to help the class unify its struggle. But in many situations the call for percentage wage increases, like the 20% formulated by the steelworkers, is a far more effective unifying demand than a flat rate increase."
The Tory Employment Bill is NOT an attack on the trades unions - it is another attack on the working class. Like Labour's In Place of Strife in 1969 and the Tory Industrial Relations Act of 1970 the Bill aims to give the unions MORE CONTROL over the class struggle. All over the world the unions' role is to keep the class struggle from becoming a struggle against the capitalist State itself. Legal measures, like banning "secondary" picketing or "unofficial" strikes, are all attempts to STRENGTHEN the unions' ability to control the working class and prevent workers from using their united strength which would threaten capitalism's very existence. Workers only have one answer to these laws - to smash them in the only way possible, by a united fight of the whole working class.

But the token campaign of one day strikes and marches by the TUC against the Prior Bill is itself an attack on the whole working class. The unions are the shopfloor policemen for capitalism. Like uniformed coppers they know that there are already enough laws against the working class. They know that this new law would be ignored by workers. They know attempts to enforce it will end up in clashes between the workers and the State - clashes the unions exist to prevent. And if workers see the unions siding too openly with such a law the unions know it will be harder for them to control the class struggle in future clashes with capitalism. That is why they put up token opposition.

But the economic crisis means that these clashes will become more and more open. The capitalist system has NO SOLUTION to offer us except further austerity and another world war. Here the unions throughout the world will call on the working class to defend "their country" - just as they did in 1914 and 1939. But the workers have NO COUNTRY to defend. We are an international class and we have no reason to murder our brothers and sisters in other countries. Instead we must fight the real enemy here and now - the capitalist State and all its unions. In Britain this means not just the Tory Party, but the unions, Labour Party, Trotskyist parties and so-called Communist parties.

THE WAY TO FIGHT.

The way to fight is NOT by taking part in union marches and one-day strikes, but by organising OUTSIDE of and against the unions to link up with each other nationally and internationally. Today's fight against austerity, against wage cuts, against lay-offs, MUST BECOME A UNITED STRUGGLE. The struggle of one group of workers is the struggle of us all. Solidarity action, sympathy strikes, mass picketing organised by mass assemblies, are the beginnings of a united fight.

The unions will try and derail the struggle as they have done recently in the engineering and steel strikes. In the steel strike the ISTC gave the bosses plenty of warning about the strike; they deliberately divided workers in private steel firms from those in BSC by conducting wage negotiations separately; and they have tried to prevent effective picketing. The movement of steel has not been stopped. This sabotage can only be overcome once we realise that trade unions today no longer defend the working class - they are an arm of the capitalist State.

Last year workers on the Continent struggling against wage cuts and redundancies broke away from the unions and found themselves up against the forces of the State. In France, steelworkers took the fight against redundancies into their own hands by organising mass meetings of the entire workforce. Railway lines and roads were blocked, radio and t.v. stations occupied, shops raided to provide food for strikers, massive battles with the police occurred. In Holland, Rotterdam dock workers ignored the union wage deal in the "national interest" and organised their own strike
committee of delegates from each dock company, under the control of mass meetings of ALL dockworkers. The dockers had to fight the police and the unions as well as the "Socialist" Party, the government, and the radio and t.v. propaganda against the strike. The strike committee's daily news leaflet called for solidarity from dockworkers from "Hamburg to Dunkirk" and for sympathy strikes from the rest of the Dutch working class.

In the end these strikes failed to generalise to the whole of the working class and the unions were able to defuse the struggles. But the struggles in Longwy, Denain, Rotterdam and elsewhere have shown what is possible.

Eventually workers everywhere must recognise that the real struggle is against a bankrupt capitalism and its State. In other words, the class struggle is an international POLITICAL struggle. Workers will only be able to carry out this struggle successfully when they are CONSCIOUS OF THEIR GOAL; when they are organised outside of the unions and in their own political party. To help develop this political awareness the Communist Workers' Organisation calls on all sympathetic workers to contact us and help us to form groups of internationalist communists in workplaces and factories. To capitalist attempts to disorganise let communists prepare to organise.

C.W.O. March, 1980

Contact us at the following address:
C.W.O.
P.O. Box,
Creswell Lane,
GLASGOW, G12 8AZ.

POSITIONS OF THE COMMUNIST WORKERS ORGANISATION

* Every country in the world today is capitalist - including the so-called "Communist" states (e.g. Russia, China).

* Trade unions and shop stewards are part of the capitalist system and cannot defend the interests of the working class.

* The struggle for communism cannot be waged through parliament, but must be carried out through elected workers' councils.

* The working class can only come to power through the creation of its own political party - the international communist party.

* The only choice for the future is war or revolution - barbarism or communism.

Read our factory bulletin Workers Voice (free from the group address)

Read Revolutionary Perspectives, journal of the Communist Workers' Organisation - 35p.

The Communist Workers' Organisation has sections in Sheffield, Tyneside, Glasgow and London.
After 4 weeks on strike it is clear that the steelworkers' union - the ISTC - has been successful in leading the strike towards defeat. Its record speaks for itself:

* It has persuaded Shotton steelworkers to abandon their jobs without a fight. It is doing the same at Corby and Consett.

* It gave the bosses plenty of advance warning of the strike so that they could prepare plans and stockpile steel.

* It has condemned effective picketing (so-called "secondary" picketing).

* It has refused to use union cash for strike pay.

* It has refused to bring out private steelworkers FROM THE BEGINNING. This has divided the steelworkers against each other.

* It opposed the workers' demand for a 20% wage increase.

In other words, the ISTC is trying to make the strike fail. But this is not simply because Sirs is a bad leader. Like all union leaders, he is a good leader - for the ruling class! The job of all unions today is not to lead successful strikes, but to CONTAIN them. In every country they deflect the workers from attacking the real enemy: the capitalist STATE.

THE CAPITALISTS HAVE NO CURE FOR THE CRISIS

And the State is not just the Tories. The lies of groups like the Socialist Workers Party that all we have to do is get rid of the Tory Government and everything will be better is contradicted by the record of Labour. Over the past 5 years Labour committed the BSC to massive redundancy plans (40,000 jobs were lost). The only difference between Labour and Tory is the way the cuts are made: Labour always pretends to be helping the working class. But none of the capitalist parties has anything to offer us. CAPITALISM HAS NO CURE FOR THE ECONOMIC CRISIS. The post-war boom is over and for all workers it offers a future of lower wages, higher prices and unemployment. Eventually, if we don't fight against it by striking and resisting conscription, there will be a Third World War.

The joke that nationalisation would cure all our ills must produce only a hollow laugh from the steelworkers, who have lost 120,000 jobs since nationalisation. The only nationalisation that can work is when the working class create their own State and organise industry to produce directly for people's needs. But today it is the CAPITALIST STATE that is trying to destroy the steelworkers - and afterwards it will attack the rest of the working class, section by section. The attack on the steelworkers was a provocation to strike - a 2% wage increase with inflation at 16% means a 14% wage cut. Thanks to the union's cooperation, the BSC executive and the Government are prepared for a long strike which they hope will weaken the steelworkers to prevent them from taking more militant action later. So long as the ISTC maintains its hold over the strike it will lead the workers to defeat - to cuts in real wages; productivity deals and more redundancies. And if the steelworkers are defeated the way is open for the bosses to launch an attack on the rest of the working class.