

# WORKERS VOICE

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Under crisis-wracked capitalism

## “ORDER”, “PEACE” AND “HUMANITARIANISM” MEAN WAR

Bertolt Brecht once wrote

*When the leaders speak of peace, war is already being prepared.*

Today he could have added humanitarianism and “a new world order” to “peace”.

Revolutionaries were not slow to point out in January 1991 that George Bush inaugurated the new era of peace and prosperity with the most devastating attack on another country since the Second World War. Forget the fact though that hundreds of thousands of Iraqis died. It was all in a good cause to maintain US domination of the Middle East. The upstart challenge of the Iraqi regime had to be crushed both for strategic and the not unrelated economic issue of control of oil supplies. The devastation meted out was totally out of proportion to the needs of imperialism. At the time the US was serving notice that with the USSR gone there was no restraining American power. However once the Gulf War was over we were told this was a little local difficulty and now the “new world order” could start.

But with Cambodia, Somalia, Zaire, Angola, ex-Yugoslavia, the war in the Caucasus, Liberia and East Timor all acting like running sores it was soon clear that, despite US hopes, many of the old problems caused by the rivalry with the USSR had not disappeared.

### Imperialism is Still With Us

The victory of the “West” in the Cold War has not and could not open up a new era of peace and global cooperation. Imperialism does not vanish with the collapse of one imperialist power. Russia is still imperialist (and acts so towards, e.g., the Ukraine with the sudden boost of gas and oil prices - see article elsewhere in this issue) even if its sphere of influence has shrunk to vanishing point. The same forces operate to force capitalist states to ensure that they repatriate as much of the world’s surplus value to their own shores. As the history of this century shows this basic economic necessity is the source of conflict. Today what has opened up is not a new era in world history (we still live in the imperialist epoch) but a new phase of the history of imperialism.

### The Collapse of the USSR

The collapse of the USSR was an event of world-historical importance since it signalled the collapse of a long period of relative capitalist stability. The reason for this is that at the end of the Second World War in 1945 there were no major disaffected powers. Both the USA and the USSR were gainers from the existing world order established by the defeat of Germany and Japan. The latter two were occupied for many years and only too relieved to have

brought their populations from the horror of the Second World War to the shelter of the US umbrella. The only source of conflict was that between the USA and USSR. But this was mainly over the USSR’s refusal to allow US capital into its non-convertible currency empire. As the weaker imperialism such a move would have been suicide for the USSR. The 45 years that followed were hardly a period of peace (Vietnam, Algeria, Korea all showed that) and light but there was no general threat of a global war. This was not, as the pro-nuclear bomb lobby thought, because of the balance of terror between East and West, but because both sides



‘Work at last’  
1936 Daily Express cartoon: A shadow for the future?

already had sufficient reason for maintaining peace. Had there been a real cause for war the technical nature of weapons would not have prevented it (both sides, for example, in the Second World War had huge stockpiles of biological and chemical weapons but neither ever used them). No, it was the nature of the peace, not the balance of terror that ensured no major conflict. In a limited sense the Yalta-Potsdam Settlement which carved up the world in 1943-5 between the superpowers could be compared with the Treaty of Vienna of 1815 which ensured that there was no major discontented power (the defeated France being generously treated). This produced 39 years of peace (before the Crimean War of 1854 opened up an era of wars). This was unlike the Peace of Paris of 1919 which ended the First World War. As the French Marshall Foch predicted this was just “a twenty year armistice”. This is the significance of the collapse of the USSR. Its collapse may not have changed the nature of capitalism and imperialism but 1991 has opened up a new, and more dangerous phase in inter-imperialist relations.

### New rivalries

The collapse of the Soviet bloc has put enormous strain on the US-dominated powers of the West. After all the one constraining factor on their rivalries has been removed. This doesn’t mean that we are in a dog eat dog situation already but the signs of further serious problems are there for anyone who cares to look.

First there is the preparation of the populations in the capitalist metropolises like Britain, France, Germany, Japan and the US itself for the sight of troops going in all over the planet. The

“humanitarian” facade of the operations in Bosnia and Somalia should fool no-one. They are intended to demonstrate that the US means business (and the business of America is world domination) whilst at the same time defending minor parts of US interests (Somalia is not only strategically near Iraq and the Saudi peninsula but, and this is, of course, pure coincidence, oil was discovered there by US companies in 1991). In the case of ex-Yugoslavia the US was at first inclined

to back Serbia against the support Germany was giving to Slovenia and Croatia but the continuing pressure from Muslim powers (particularly Saudi Arabia which arms and trains the Bosnian Muslim forces) has forced the US to take a more global view of the issue. One thing is clear: more US military intervention in ex-Yugoslavia is inevitable.

Second, some look to the UN to act as an independent force. But based in New York with 50% of its budget coming from the US it is today a synonym for the US State Department. This was most clearly underlined in Somalia where the US announced it was sending in troops and Boutros Ghali then gave it UN sanction.

### From trade wars ...

Third there is the question of GATT. There is more on this in the accompanying article on the economic crisis but let us underline one or two points here. GATT was signed as part of the post-Second World War settlement by imperialists who had seen the consequences of trade restrictions and tariff barriers in the

1930’s. After the Wall St. Crash the US introduced a massive new tariff on a wide range of commodities both primary and manufactured, the Smoot-Hawley Tariff of 1930. The European countries responded in kind and world trade fell by 35% in a year thus deepening the international slump. Under GATT since 1949 there has been a eight to ten-fold increase in world trade. The imperialists know all this which is why the Uruguay Round has been meandering on for years without ever reaching agreements. Now the recession is forcing the US to begin to talk tough. This was apparent in the last days of the Bush regime but is even more apparent now that Clinton has been elected. Some of his closest supporters such as Dick Gephardt are well-known protectionists (particularly against Japan). It was also no accident that Clinton’s campaign slogan “America First” was a copy of the one used by the anti-European Republican President Warren T. Harding in 1920. Clinton has served notice of his intent by reviving dumping allegations (which the US had previously dropped) against the European Airbus project which is the major rival to Boeing and McDonnell Douglas. The fact that Boeing are laying off thousands more workers as US commercial aircraft are being stockpiled in Arizona is not unconnected to this new ferocity towards Europe.

Everyone knows that protectionism will be a further decisive step towards global war but the insoluble capitalist crisis which piles new problems on old is forcing more and more talk of “defending the national interests” or of “having level playing fields”.

And the same goes for the European powers. The French are becoming more resolutely protectionist as the crisis threatens the petty bourgeois agricultural sector whilst German ambitions in the Balkans have scarcely been disguised (see *Workers’ Voice* 64). At the same time the crisis in Japan is bringing forward cries from younger members of the ruling Liberal Democratic Party for a rearming of Japan in the face of renewed US hostility to Japan’s trading success.

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## Report of a public meeting in Doncaster

# We Have to Break Out of the Union Jail

The anger against the increase in official unemployment beyond 3 millions is obvious amongst workers everywhere. How then is it that this anger has not spilled into more generalised struggle? There are two problems. The first is that after more than a decade of taking a battering, workers are still waiting for someone else to lead the way. The fear of being capitalism's next victim is intimidating enough. But this connects to the second reason. Why have groups of workers fought alone for the last ten or more years? The answer is that the unions have kept it that way. In the miners' strike we had the classic case. In 1984-5 the NUM called for "coal not dole", a slogan that kept the struggle to a miners' issue. Meanwhile the other unions and the TUC did everything they could to ensure that groups like the steelworkers, railworkers and dockworkers did not tie in their struggles at the time with that of the miners. The miners had shown some solidarity with the steelworkers in 1980 but the ISTC leader Bill Sirs famously said in 1984 that the steelworkers would not help the miners because they wouldn't "sacrifice themselves on someone else's altar".

This is the logic of trades unionism. Regular readers will know our view on this. The unions do not exist to lead the class struggle. Far from it. Their very success depends on their ability to contain the class to fighting within the capitalist system. This means dividing workers into different crafts and sections and preventing any collective reply by the class to the attacks of capital. Whatever rôle the unions once played, today they are part and parcel of the capitalist state. Asking the TUC to call a general strike (or for the more spineless Trotskyists, "a day of action") is pure utopianism. When the TUC is forced into calling a general strike it will only do so in order to take the lead in a struggle in order to kill it. This was what it did in May 1926 (see *Workers' Voice* 63).

It is therefore no surprise to internationalists to see the unions trying to direct the present anger into useless campaigns of marching and speeches when what is needed is the use of the one weapon which is unique to the working class — strikes. By this we do not mean the kind of strike that occurred at Timex where the management actually set the workers up so that they fought alone and gave the bosses the

chance to carry out the programme they wanted all along (see elsewhere in this issue). In the present situation workers in a particular workplace can't fight redundancies on their own. Only a massive generalised struggle can halt the lay-offs and the victimisations. The problem however is where to start.

With this in mind we decided to attend a meeting of "all public sector workers" in the Doncaster area. We did so without illusions. After all the leaflet we had received confined the call to "public sector workers" (why only them we asked) and was couched in terms of the number of unions that supported the meeting (11). Though the advertised speakers were not big union officials it was obvious that the purpose of the meeting was to try to revitalise activity but entirely on the basis of existing trades unionism.

The meeting itself turned out to be more interesting than the advanced publicity might have led us to expect. About 150 turned up representing a wide section of workplaces. Most contributions from the floor were from those who held no union positions and some unemployed workers sensibly ignored the sectionalism of the original call to make a serious contribution to the meeting. One of them criticised the way unions stifled workers' self-activity and called for open meetings outside of union branches where workers could debate how to fight collectively.

This was in sharp contrast to the speeches from the Platform. Some of the platform speakers had vaguely criticised the Labour Party and the TUC but it was only in terms of "where is the leadership?". It was obvious that all of them were paid-up Party members. They also sprung a little surprise by giving us an extra speaker, a full-time TGWU official. He announced that his rôle was not to fight redundancies (they are "inevitable" but to manage them and try to "phase them in"). No question for him which side the unions are on. When no-one booed this excellent capitalist servant we wondered whether it was worth staying. However the speakers from the floor were a more accurate reflection of the mood of the workers at the meeting. The sense of being led up a blind alley was apparent. As to how to get out of it nobody

claimed to have the answers but it became clear that many were not thinking in terms of the Labour so-called movement. Gradually they widened their attack on the Labour Party and the unions. At first many talked of only of "betrayal" and demanded a return to defence of working class interests. But a defence of working class interests today cannot be made from within the profits system since its bottom line is based on lowering living standards. They did not understand that the Labour movement is a capitalist movement. Other speakers from the floor were clearer, pointing to the history of the TUC. One or two leftists did their Party turns (Socialist Organiser, the SWP and a bizarre Castroite group) but they had neither anything practical nor a sufficient theoretical clarity (since they basically tail-end the Labour Movement) to make any impact on the meeting. At this point the unemployed workers had already begun to ask how the meeting itself could give the leadership that was required. And we supported this by pointing out that the Labour Party and the Trades Unions were part of the capitalist state. They wanted us to do nothing whilst they claimed to be leading us. We proposed that the meeting turn itself into an organised body which met regularly with an elected and recallable organising committee and everyone to go back to their workplaces to inform other workers what was going on and try to expand the base of the meetings to include the unemployed and anyone else in struggle. We asked for a date when everyone could meet again.

This modest suggestion filled the Platform with panic. The Chairperson told us that there would be another meeting but when challenged by an unemployed worker later confessed that this was going to be a closed meeting of the union representatives who would be planning how to organise resistance through the proper channels, i.e., the Trades Councils! The TGWU official then denounced our proposal as demanding the revolution tomorrow! The rank and file ASLEF speaker on the Platform suddenly remembered that he was a member of the Party he had been slugging off thirty minutes earlier and urged us to support the "existing institutions." A final call from a miner from the floor asked us to go to our branch meeting and get our local executives to pass resolutions pressurising the TUC to call

a strike. It seems as though some lessons are never learned. Or as one of the unemployed workers said afterwards "What a load of bollocks!". But the meeting served its purpose for the union hacks. A lot of ordinary angry workers had let off steam and the pressure was relieved. The aim of the meeting was to promote apathy (the platform speakers gloomy utterances certainly did this) and to get everyone once again to "leave it to the leaders". This underlines the futility of calling on the TUC to organise a General Strike. Any political message which bases itself on the idea of letting someone else take responsibility for action is a guarantee of continued working class slavery. The only effective resistance is that organised by workers themselves and this is the message that communist take into every mass meeting. The notion that workers are not capable of organising themselves so actively promoted by union bureaucrats is the basis for continued capitalist exploitation.

We report all this to show two things. In the present situation of general retreat it is difficult for communists to get any kind of message across. In the meeting above our comrades at first scarcely knew where to begin. However the intervention reported here shows that there are small opportunities for revolutionaries to demonstrate that they understand the needs of the present situation. Readers comments on this are welcomed. However this can only be one aspect of our activity. It must be accompanied by a clear statement of where we are going. The capitalist system is bankrupt and offers us only more barbarism. We are not going to save living standards simply by begging for jobs. We have to destroy the present profits system on a world-wide level. To get this message across we relied on a leaflet (entitled "International Revolution not National Recovery", which we distributed before the meeting and at other rallies and meetings that day. Copies are available from the group address). The enormity of this task is, of course, part of the reason why workers continuously retreat back to the discredited trades unions. But as the events of the last few months only underline, they are part of the problem, not part of the solution.

established agreements on payments during lay-offs.

Crucially weakened by this double failure — to spread the strike and break from union control — the Timex workers presented an easy target. At the end of the first week, in an obviously long-planned move the management issued an ultimatum for an immediate return to work with acceptance of a new three point package:

- arbitration on lay-off rotation
- cuts in benefits and pensions
- wages frozen for a year.

After two rowdy mass meetings the union managed to enforce agreement on a return to work "under protest" arguing that workers could fight the cuts in conditions, individually through the courts! However the return to work on February 17th was met by a mass police presence and a lock-out. The following day all workers, including the scabs, were sacked, and the vacancies, with the new conditions advertised in the local press. This brutal tactic has become depressingly familiar — provoke a strike, sack the strikers and then offer selected workers their old jobs with poorer pay and conditions.

## Walk-out at Yarrows Shipyard

On February 5th, 50 miles away on Clydeside, the initial anger of the Timex workers found a duplicate when all 1,300 workers in Yarrows Shipyard downed tools, in defiance of a union recommendation, for the first time since 1985. Far from fighting lay-offs however the shipyard workers had walked out for higher wages. Eight months of negotiations for a "substantial pay increase" had finally resulted in an offer of a £300 lump sum, unconsolidated in basic wages, the abolition of tea breaks, substantial cuts in overtime payments, the abolition of special payments for sea-trials and significant changes in work practices. John Dolan, the yard convenor

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## Timex and Yarrows

# Strikes in Scotland Show the Bosses' Offensive Continues

## Introduction

The eight years since the end of the miners' strike have been savage ones for the British working class. The sheer scale of the miners' defeat left an unmistakable mark on the combativity of other sectors of workers. An inability to see an alternative to the traditional prison of union-controlled debacles produced the least combative period in post-war history. When this was combined with a ruling class rendered desperate by a disintegrating economy spiralling out of control, the result was predictable. The state and the bosses, faced with disappearing profits, shrinking markets, unstable currencies and increasingly savage competition, responded in the only way they know how, by attacking the working class.

The last decade has been one of lay-offs, sackings, closures, speed-ups, wage-freezes and cuts. Outside the workplace an identical process was at work on the social part of each worker's wage — crumbling schools and hospitals, cuts in pensions and benefits, relentlessly increasing homelessness, a society decaying at its very heart; all part of a pitiless and ruthless determination to make the working class pay for the crisis of capitalism.

However in February, in the very month when unemployment officially passed the three

million mark (in reality it is somewhere over four million) and the number of days lost to strike action fell to their lowest level since records began in 1889, workers in the traditional industrial belt of Central Scotland served notice that combativity is once again beginning to emerge from the long lull of the eighties.

## Strike at Timex

At the Timex plant in Dundee, an announcement of a plan to lay-off more than half of the 400 workforce for up to 26 weeks produced an angry walkout. Mass pickets of over a hundred were mounted from the first day of the strike in defiance of court injunctions. The pickets did not restrict themselves to the factory gates but converged on scab homes and on the pick-up points arranged by the management. Mass meetings were held regularly and frequently throughout the struggle.

The strength of feeling involved is hardly surprising. Throughout the eighties, the fate of the Timex plant epitomised what was happening to the whole of British industry. In 1980, Timex was the largest single industrial employer in Dundee, with three factories and 4,500 workers. 2,000 were sacked in 1983, 500 in 1984, almost 1,000 in 1985. By 1993 only one factory and 400 workers were left. The workers felt that there was little left to lose.

The strengths of this struggle could be seen from day one — enormous anger, willingness to fight, mass meetings, mass pickets, a defiance of the law and tremendous solidarity of support with only 12 people crossing picket lines. However the weaknesses were also apparent from the beginning. Despite the use of flying pickets against the scabs at no point did any initiative appear to take the strike to other workers, to spread the strike. Even the walkout at Yarrows shipyard about half way through the strike provoked no attempt to link up. The AEEU were left with a free hand to define solidarity as something internal to the Timex workforce alone, with the usual union charade of inviting MPs onto the picket line to "express support".

Just as importantly, despite regular and well-attended mass meetings, the struggle never escaped the destructive hand of union control. On the very first mass meeting of the first day, the AEEU were able to transform the spontaneous anger against lay-offs into a fight for rotation of lay-offs. They made it absolutely clear that they supported the necessity for lay-offs, that the demands of the market place must take precedence over the needs of the workers. For the union, the fight was merely about how to manage the lay-offs and who should manage them (compare this with the TGWU official in the report of the Doncaster meeting — Ed.). They even offered to abandon the long-



Russia:

# The Economy Crumbles as the Planners Become Free-marketeers

Not much is being heard about what's going on in Russia these days. The 'evil Empire' has crumbled, Coke and the Big Mac have settled in Moscow, the GUM department store now only accepts dollars and the Russian space agency is reduced to selling \$5,000 flights to American tourists. Privatisation and the free market are now the order of the day as the government submits to the 'advice' of the IMF and the World Bank. Yet, despite the rise of a coterie of get-rich-quick dollar millionaires — criminals and black marketeers or else ex-Communist Party officials who have contacts abroad and have profited by buying cheap in Russia and selling abroad for dollars — the West has stopped crowing about its victory in the Cold War.

Having finally embraced with open arms the West's free-market panacea for economic revival Russia and the ex-Soviet Union as a whole have become even more of a disaster zone. Last year GNP and industrial output for the whole area fell dramatically. There is a chronic shortage of capital. Factories which are now supposed to generate enough profit to make themselves

self-sufficient are unable to buy raw materials or supplies; machinery lies idle for want of spare parts; many factories have simply shut down. Unemployment lies somewhere between 8 and 10 million — nobody really knows. Inflation is through the roof. The average wage buys next to nothing. (Last January official calculations for Russia were that an average month's wage would buy a dozen eggs, a kilo of bread and half a kilo of meat.) Many public sector workers are lucky if they get paid at all, some went for months without pay last year and there's no indication that it is any better in 1993. On the agricultural front, output has fallen (27% last year) especially where state farms and collectives have been divided up for the workers to run privately. Often the farms don't even have running water and the new owners who can't afford the rocketing cost of seeds or fertiliser must share ploughs, tractors and other implements between farms. At the same time, despite all the kowtowing to the market, the government has decreed that 60% of farm produce must be sold to the state at a fixed price below market value — otherwise the cost of living in towns would be insupportable!

What's more, no sooner had Gaidar's intended 'shock therapy' of price liberalisation (i.e. removal of state subsidies) begun in Russia when the leading apostles of the free market in the West — the UK and the US — began to have second thoughts about the ability of the market to revive their ailing economies, or indeed the world economy. Faced with economic collapse at home, it hasn't helped the case of Yeltsin's team of free market reformers to see the chronic stagnation, increasing unemployment and the patent absence of any cure-all in the West.

So, as Gaidar's shock therapy has turned into prolonged misery for the working population and economic revival seems as far away as ever, the rifts within Russia's capitalist class are becoming more pronounced. In particular, Yeltsin has been obliged to make some concessions towards those who are against complete withdrawal of state control of industry — principally the old CP managers of run-down factories and local bureaucrats who know they'll be out of a job if the 'law of the market' ever does take complete hold. Politically their interests are being expressed by the Civic Union which has the largest number of seats in parliament and which is using the intermittent meetings of parliament to put pressure on Yeltsin and his faction who are being increasingly criticised for having sold out to the West for nothing in return. Hence the battle

between 'Tsar Boris' (who is demanding that the existing powers of the presidency be maintained and extended so that he can rule by decree and by-pass parliament) and the opposition in parliament (now including the Speaker, Khasbulatov, originally a close associate of Yeltsin as well as 'Right' and 'Left' nationalists all operating under the umbrella of 'Democratic Russia') who are very democratically demanding more parliamentary government. Unfortunately for Yeltsin and his crew the working class are so disillusioned with the promises of what the free market will bring, in contrast to what is actually happening, that they are frightened not enough people would vote if there was a referendum (the Constitution demands at least a 50% turn-out) over the issue. Boris is not the popular man he was. Unfortunately for the opposition they are unable to capitalise on this situation since their economic policies are about as bankrupt as the Russian economy itself. This was very quickly revealed by the newly appointed Prime Minister, Viktor Chernomyrdin (parliament's substitute for Gaidar who it forced upon Yeltsin) who — when asked what he was going to do about inflation if he still intended to use state subsidies to keep factories going — promptly said he didn't know! Subsequent events have shown that he was not exaggerating. By January the rouble had sunk so far that the central bank announced it was designing notes for 50,000 and 100,000 roubles.

This is a far cry from the original Gaidar plan which envisaged that inflation would be restricted to no more than 10% a year and that by August 1991 the long-talked about convertibility of the rouble would be achieved. Industrially, sales from privatisations were supposed to have enriched the state's coffers so much that the foreign debt would be reduced while consumer demand would be fulfilled by the 'new' joint-stock companies under their 'new' entrepreneurial shareholding management. Reality, as they say in Russia, is somewhat greyer than the lucid theory. In the real world inflation is officially about 30% per month and the last we heard of the exchange rate was that a 5,000 rouble note could be officially exchanged for \$8.80 (January). As for privatisation of the industrial sector, despite all and publicity for the sale of share coupons to the general public, the bulk of Russia's industry remains in state hands.

There are several reasons for this but opposition from former Communist Party apparatchiks is not the most important. In fact all factions of the Russian capitalist class recognise the necessity for 'industrial restructuring'. The question is, how? The replacement of clapped-out and outdated plant with new technology requires a

massive injection of capital. Clearly the state cannot provide such capital — that was the reason for the shift towards the free market in the first place. So there is no question of a return to the old 'command economy'. On the other hand, the notion that private savings could be harnessed as a means of capital renewal via the issue of privatisation shares has proved to be a complete fantasy. The auctioning of state enterprises has been limited in the main to small consumer goods factories and retail outlets for the simple reason that there is no hope of regenerating the hard core of Russia's industrial infrastructure in this way. The attempt to convert state enterprises to private ownership by issuing almost worthless share certificates to the workforce only confirms Russian capital's bankruptcy. It does not solve the fundamental problem of the chronic lack of capital for reinvestment. For this Russian capitalism must look elsewhere — and beyond its own bunch of yuppie millionaires who, despite their conspicuous consumption are hardly in a position to regenerate the whole Russian economy and who anyway, as *The Times* put it "... are reluctant to risk their capital in Russia's old smokestack industries."<sup>1</sup> Which brings us back to the entrepreneurial West. What's happened to the exciting investment opportunities which were supposed to come with the 'opening up' of Eastern Europe and the Soviet markets? Answer: "very little", especially when it comes to Russia itself.

## No Help From the West

It is testimony to the naivety of the would-be revitalisers of Russian capital that they expected to see massive injections of Western capital before the break-up of the old state monopolies, before the writing off of obsolete plant, and above all, before dismissing hundreds of thousands of redundant workers. The multinationals not only want a climate of 'economic stability', they want to be able to see the possibility of making quick profits. They certainly don't want to take on the burden of industrial restructuring. They are waiting for the Russian state itself to grasp this nettle and do on a grand scale what the Macgregors and Graham Days started to do for Britain's unprofitable state sector in the 70's and 80's. Meanwhile they are more interested in the so-called developing countries where they invested \$28bn in 1991, compared to a mere \$2bn in the whole of the old Russian bloc — and half of that went to Hungary.<sup>2</sup>

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## "Order", "Peace" and "Humanitarianism" mean War

*continued from front page*

### Disarmament or Restructuring

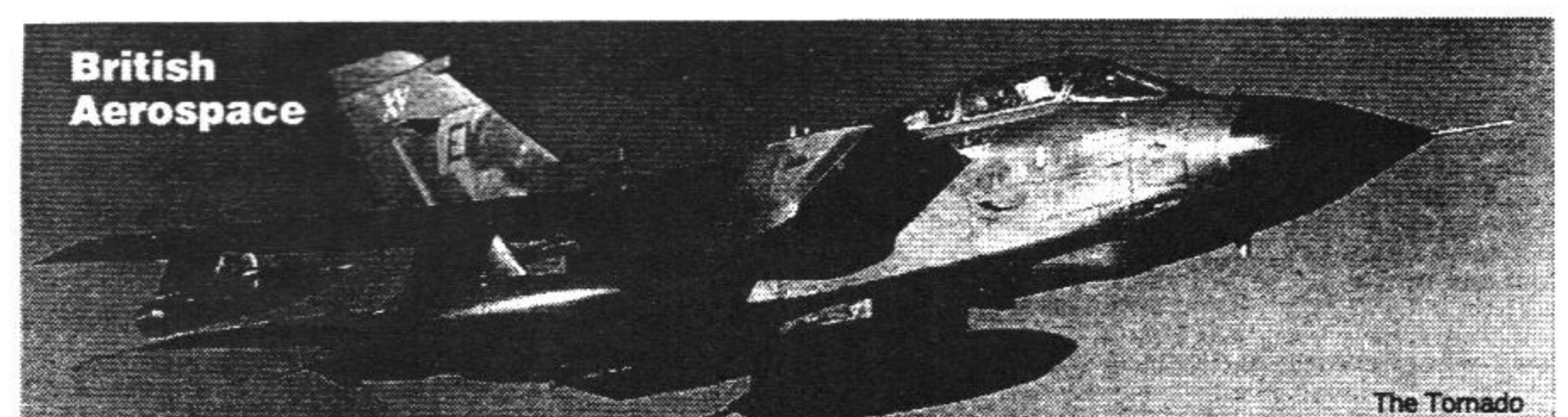
Incurable liberal pacifists however talk comfort by pointing to the decline in government spending on arms globally. Even Germany which has fairly small armed forces is planning cutbacks. However let us put this in perspective. There is no special "peace dividend". What we are seeing is bankrupt governments cutting spending in every area of the budget including defence. This in fact amounts to no more than a restructuring of the defence sector just as health, coal, steel and a host of other important state enterprises have had to be restructured. But as far as defence is concerned second thoughts are already creeping in. The British managed to persuade the Germans (against the latter's superior economic logic) to carry on building the EFA (European Fighter Aircraft) whilst in Britain itself previous defence cuts (such as the merger of some regiments and the closure of naval dockyards at either Rosyth or Devonport) have been reversed. What is happening is that there is a re-assessment of "defence" needs in the light of the possible need to carry out attacks which don't necessarily correspond to previous allied aims. The fact that

arms production is for many states (including Britain which just won the £5 billion Tornado contract for BAe with Saudi Arabia) the only really productive area of the economy. With Yeltsin hawking Russian missiles to anyone who will buy them (including India and China) all talk of peace and disarmament is ludicrous.

There will be more imperialist invasions of the planet in the name of humanitarian aid. But let's not forget that the humanitarian crisis will be caused by the very forces which shed crocodile tears, by the very countries who will have turned a local dispute into utter barbarism through their

"commercial" activities in selling arms. Workers should not be fooled. These invasions are preparations for wider battles ahead. They must be opposed.

J

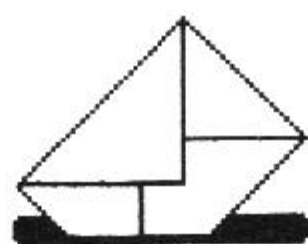


Results by sector £m	Sales			Operating profit (loss) before interest		
	1991 full year	1991 2nd half and Dec	1992 1st half and Jun	1991 full year	1991 2nd half	1992 1st half
Defence systems	4,036	1,918	2,021	500	281	296
Commercial aircraft	1,651	839	659	(37)	(32)	(286)
Motor vehicles	3,744	1,863	1,851	(52)	(43)	(31)
Property development	287	8	30	(24)	(5)	(6)
Construction	592	307	314	40	20	12
Other businesses & headquarters	252	155	157	(73)	(35)	(14)
Less: Intra-group	(550)	(204)	(204)	-	-	-
<b>Total</b>	<b>10,562</b>	<b>4,886</b>	<b>4,628</b>	<b>354</b>	<b>186</b>	<b>(29)</b>

*Britain's last profitable industry*



# Letters to the Editor



*Political debate and discussion are the lifeblood of any organisation which wishes to be part of the formation of a revolutionary class consciousness. Workers' Voice appeals to all readers to become an active part of that process by sending in their comments and criticisms. All will be printed (with initials only) and where necessary replies furnished.*

Comrades  
I am a sympathiser of the ICC<sup>1</sup> and I would like to write to you about some ideas in your last newspaper *Workers' Voice* 63.

## 1. About the miners' strike.

I think you say generalities that are true but that could be applied to any strike. You write about the need for extension; you say "we have to fight together not to trust the shop stewards." All that is true but so general that it cannot help the working class. You don't try to ask yourself about the balance of forces between the classes. You did not think a moment that the announcement by the bourgeoisie of the suppression of the 30 (sic) pits could be a manoeuvre, to get the working class on strike not on its own terrain (against unemployment, against cuts in living standards), but at the level of the defence of the 'National Coal' industry. What do other sectors of the working class (and the miners too) have to do with the 'National Coal'. You don't ask yourself: must revolutionaries back this struggle?

## 2. Question of the shop stewards.

You write "they exist to prevent a real class struggle". That's true but so general that it doesn't contribute to the coming of consciousness of the class... Do you agree with the five ideas that follow:

- a. shop stewards belong to the bourgeoisie, they are the cops of the bourgeoisie among the working class; their aim is to control it.
  - b. they pretend to take up wildcat struggles in order to lead them into dead-ends.
  - c. Pure struggles do not exist: until the revolution, the shop stewards will be there in order to do their ugly work (sowing confusion, denouncing combative workers).
  - d. they try to prevent the class from seeing clearly what it has to do, from self-organisation, and to maintain confusions within it.
- You write: "how useless their leaders are". Shop stewards are very useful to the bourgeoisie (even as scapegoats, as in Italy), that's why they exist. I think what you say about shop stewards doesn't help the working class much.

## 3. About the capitalist crisis.

It is true that "NAFTA will raise the profit rates whilst increasing unemployment" but the reality shows that the crisis can't go backwards and cannot invert itself. There will be no turn-back

to economic self-reliance. The collapse of the USSR and its bloc has opened up a Pandora's Box of convulsions of the decomposition of this economic system. Just look at the conflicts all over the world, the systematic destruction of the nature that capitalism cannot avoid, or the difficulties for the capitalists to go on making profits. The only alternative: the proletarian revolution. I think this is what revolutionary organisations have got to say to the proletariat.

## 4. About racism and democracy

I think you are using the wrong watchwords, that may be used by leftists too. The watchword 'fight democracy' is not precise: you mean 'fight bourgeois democracy' but leftists too appeal to fight bourgeois democracy, the problem is that they call for it on bourgeois grounds (participation in elections, fight for ecology, fight against militarism). They don't call for a fight against the roots of bourgeois democracy but against the effects of it so they participate to disarm and demoralise the proletariat.

Racism has always been an expression of the weakness of the working class that is used in two ways (racism and anti-racism) by the bourgeoisie against the working class. Just look at the use made by the German bourgeoisie of the xenophobic mobilisation in the population (and within the population, among the working class): there will be a modification of the German Constitution to limit immigration. The working class hasn't got to fight racism itself: it has to unify itself behind its own demands, beyond the divisions of race, nationality, sex and all the divisions the bourgeoisie tries to exploit. Just remember the Harlan County strike in the USA in the seventies when a miner said "in the bottom of the pit everyone is black". The proletariat doesn't need to fight against racism to surpass this division.

I think the right watchword in the present period is "fight against austerity, we mustn't pay for the fall in profits, for the decline of capital accumulation". If capitalism had any future, the revolution would not be on the agenda. Communist greetings  
A.

1. The comrade writes from France and we have taken the liberty of correcting the English where it makes the text read more smoothly. French, German, Italian, and Spanish-language readers can write in their first language where that facilitates communication.

# No Capitalist Solution

that the USA still has unchallenged domination over the globe (the Gulf War, Somalia etc. all demonstrate that). However within US ruling class circles there is growing impatience that this dominance has an economic price.

This was obvious in the last few months of the Bush Administration and actively contributed to the collapse of the ERM in September. We first pointed this out in *Workers' Voice* 63. Ever since the dollar was devalued 20 years ago the big 4 banks (the US Federal Reserve, the Bundesbank, the Bank of England and the Bank of Japan) have bailed out each others' currencies whenever there has been a threat of instability (buying each other's currencies, shifting interest rates etc.). But in September 1992 this didn't happen and contributed to the pound and other currencies being forced out of the ERM. This was finally revealed on January 19th by Henning Christophersen, the EC economic commissioner. According to *The Financial Times* on 20th February 1993 he

*said yesterday that lack of monetary cooperation with the US was partly to blame for last September's crisis in the European Monetary System and the resulting turbulence in international currency markets.*

But Christophersen found that the new US government was not keen to agree to his request for an early meeting of the Group of Seven. Instead the Clinton administration is beginning to demonstrate more impatience with its former allies in the Cold War. Clinton's choice for trade negotiator in the GATT talks, Mickey Kantor, has already told the Senate Finance Committee that

*The days when we could afford to subordinate our economic interests to foreign policy or defence concerns are long past. As President Clinton has noted time and again, our national security is directly related to our economic viability here at home. We will not be guided by the assumption that other nations share our commitment to free trade and open markets when the real-world evidence is otherwise.*

*Financial Times 3rd February 1993*

Hence the militant US policy against the EC on tariffs and subsidies. Already the US has responded to the European decision to exclude US companies from EC government contracts by excluding EC firms from US procurements as well as using anti-dumping regulations against European steel. Meanwhile other arguments rage such as Russia selling missiles to India and China despite US objections.

## Our Reply

Dear A.  
Thanks for your letter which gives us the opportunity to explain one or two things. You need not have told us you were an ICC sympathiser since your arguments are a resumé of their politics. We recommend your instant integration into that organisation!

Let's take each issue in turn.

## The Pits Closure Campaign

To start with you have been misinformed. There is no miners' strike at present. What we have is a carefully orchestrated campaign by the unions and the Labour Party to prevent an angry working class from taking to more aggressive actions and putting up a real fight. And a jolly good thing too since a strike initiated by the unions would only have been a bourgeois manoeuvre!! This alone shows the stupidity of the ICC perspective that the "strike" was provoked by the government in cahoots with the unions to make the working class fight on a terrain that was not theirs.

It is the arrogance of a government that thought it could crush the working class without meeting sizeable resistance anywhere that has produced the present campaign. It is true that the TUC at the head of all the unions have performed their function for capitalism well. Instead of a militant class struggle everything has been diverted into a 'peoples' campaign for jobs'. The unions have actively prevented strikes for months although even they have had to widen the campaign from one to save the pits to one to save workers' jobs. They, and the Labour Party, are now calling for a revival of past Keynesian measures of (a so-called "Budget for Jobs"). All this to try to halt the real anger of wide sections of workers.

So what should revolutionaries do? Say, as you appear to be saying, that it's all a diversion and merely denounce it? No, every crisis of the government or state begins on a bourgeois terrain (or as you put it "pure struggles do not exist"). It is the task of communists and internationalists to work to push the struggle beyond its original framework. This is what we have done. Calling for workers themselves to organise solidarity strikes when the leftists were mouthing their usual litany of "Get the TUC to call a General Strike" was one of the ways we could get a hearing for the wider issues of the struggle. At rallies and meetings across the country we found we got a better hearing than we had for years. Unfortunately, despite the evidence of anger everywhere everyone is still waiting for someone else to lead the way (see *Workers' Voice* 64)

Furthermore, don't insult us by saying that we don't consider the "balance of class forces".

We could go on but the message is clear. The crisis itself has now created a situation in which there is considerably less room for manoeuvre for the capitalist states. In the article in *The Economist* quoted above the conclusion is that

*There is one other policy needed to prevent a slide into slump: a firm commitment to free trade. In the 1930's governments protected their way to the Great Depression. Sixty years on, they have a chance to give the world economy a huge non-inflationary boost, by reaching agreement on the Uruguay Round. If they choose to ignore it and retreat into trade blocks, prepare for a scream. What you are hearing today would come to seem like a whisper.*  
(25th July 1992)

## ... and the Future?

War may at present seem unthinkable but there is plenty of evidence that the tension between bankrupt states is mounting. The present civil war in Bosnia was considered impossible by some since the Serbs, Croats and Muslim Bosnians had lived and inter-married for centuries. The line between sanity and irrationality is a thin one in a disintegrating capitalist world economy. The working class are fighting for more

This exercises every group trying to find the right slogan (or watchword). A simple-minded call for a strike is not always appropriate. We have recognised this here. In the local council struggles the idea of council workers on their own going on strike is exactly what the local government wants (then it won't have to pay them and can balance its budget). We are now in a situation where only an all-out strike across wide sections of the class is the only solution.

## The Shop Stewards

We put your points here into the category of 'idle polemics'. Formally, your 4 (not 5) statements are correct. It is true in the abstract, as we see it, shop stewards are useful to the bourgeoisie but at the moment many combative workers still see them as the one honest element left in the unions. Abstract denunciation won't change this — practical demonstrations of their activities will. Your 4 ideas are shot through with the ICC's conspiracy method of arguing. Shop stewards are agents of the bourgeoisie but they are not always conscious ones. Their heads (or the heads of the best of them) are full of union ideology — just like the heads of most militants at present. Your polemic could not help us to intervene any better since we understand that in a genuine struggle reactionary forms will be swept aside. But once again that brings us to the condition of the working class today.

## The Capitalist Crisis

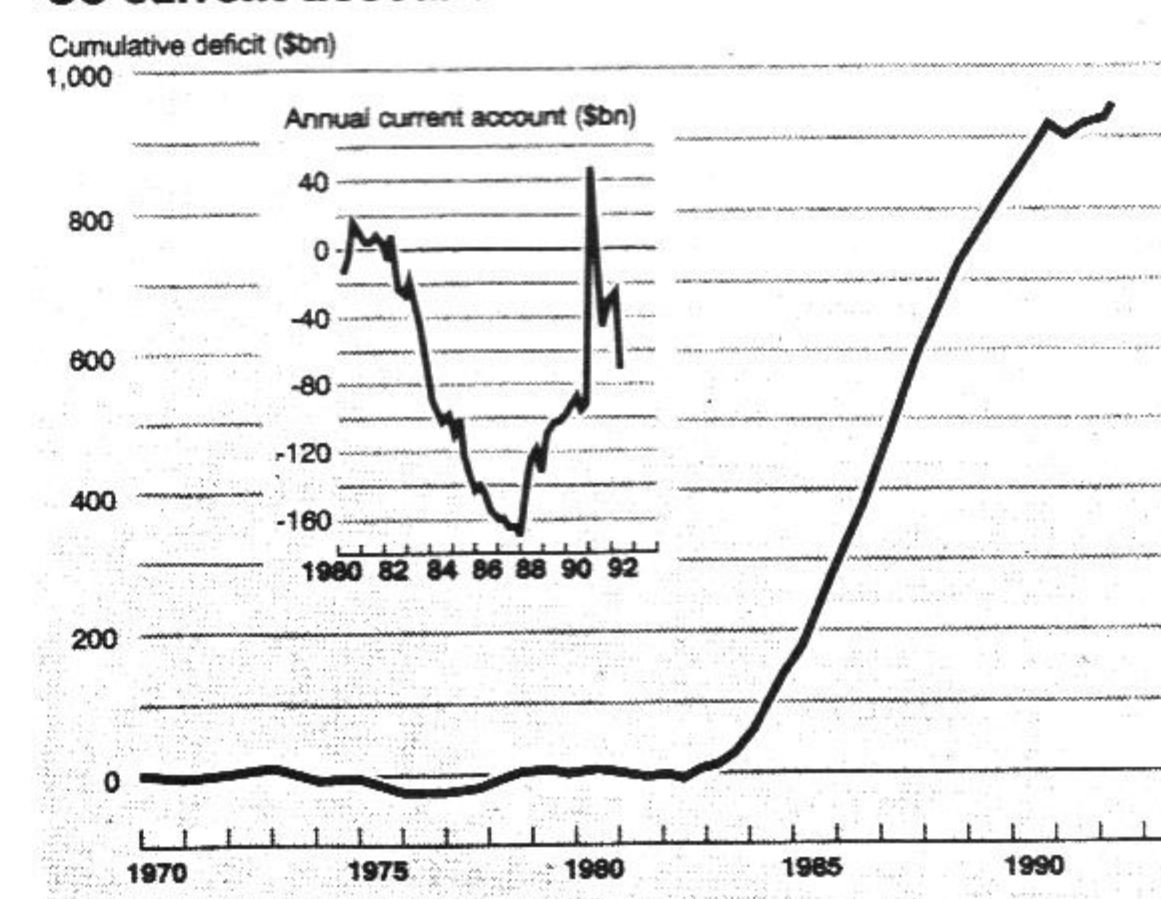
Of course there can be no going back on the crisis. As we have patiently told the ICC many times, our whole analysis is underpinned by the fact that, since the end of the '60's/beginning of the '70's, the world capitalist system has reached the end of a cycle of accumulation. The contradictions of a system which is trying to devalue existing capitalvalue at the same time as maintaining it cannot be resolved under its normal laws. All they have are palliatives and an ever-more ferocious attack on the workers everywhere. However there are two possible outcomes to this historical crisis — war or revolution — and one doesn't preclude the other (although clearly global war would, for a period, throw back the working class). In its present situation capitalism is more likely to lead to war and this is why we must work all the harder to alert the class to the stakes in the situation. A first step in this would be for internationalist communists to seek practical means of cooperation and discussion rather than confrontation and pointless polemics designed only to prove the political virility of one organisation rather than another.

## Racism and Democracy

The tone of your letter is one of a lecture to those who don't know what they are doing (given the fact that your information about the CWO and the IBRP comes mainly from *Revolution*

*continued on page 7*

## US current account



*A picture is worth a thousand words*

J.



It is twenty five years since the French working class carried out the biggest mass strike in history signalling the end of the post-war capitalist boom. Revolutionary communists across the planet have a duty to assess the course of history during that quarter of a century. They also have a duty to understand what progress has been made in assembling revolutionary organisations during that period. Part of that understanding involves an honest assessment of the blind alleys which individuals who seek to achieve proletarian revolution can be led down.

In Britain there can be no doubt that the biggest diversion for would-be revolutionists since 1968 have been the myriad of Trotskyist organizations. These organizations have misled generations of young workers and students with revolutionary phrasemongering only to tie them into the left wing of capitalism. The particular activities advocated have varied from time to time and from group to group but have generally involved a combination of three or four sets of activities.

The first and perhaps most permanent rôle which the Trotskyists encourage their militants to take part in is providing a left face for the Trade Unions. This varies in form depending on the particular quirks of the groups and the opportunities which arise to reinforce workers' illusions in the Unions. During the upsurge in wage struggles during the late '60's and '70's the International Socialists (now Socialist Workers Party) built themselves around the radical Shop Stewards movement generating their 'Rank and File Movement'. Other groups developed their own fan clubs in the Left of the Unions — the Socialist Labour League (SLL) / Workers Revolutionary Party (WRP) ran their All Trade Unions Alliance, the 'Militant' clustered their cadre and fellow travellers around the 'Broad Left Organising Committee'.

#### Trotskyism as a Front for Labour

The other pillar of the Trotskyists' support for the capitalist Labour Movement is their support for the Labour Party. At every electoral opportunity workers are expected to vote Labour 'without illusions' or while 'building the fightback' or 'preparing to fight' or any one of a myriad of leftist smokescreens. During the period the various groups blew hot and cold about encouraging their members to become active members of the Labour Party. This led to moments of farce such as when some members of Ernest Mandel's faction supported Socialist Unity candidates in the late 1970's whilst other Mandelites were loyal members of the Labour Party. Ted Grant's 'Militant' faction also produced a few moments of unexpected humour in the last few years when four decades of entryism were abandoned while Grant and a group of camp followers abandoned his movement to their fate.

## Strikes in Scotland Show the Bosses' Offensive Continues

*continued from page 2*

of the GMB, argued at the first mass meeting that "this was the best offer the company could come up with" and should be accepted. To the absolute astonishment of the union officials the meeting angrily rejected the advice and voted, unanimously for an immediate strike.

The anger resulted from six solid years of restraint, widespread deterioration in work practices and wage rises which even the management described as "conservative". As a result, wage rates were substantially below that of others in the area, particularly the Kvaerner Govan Yard across the river where wages had considerably outstripped Yarrows after a successful strike in 1992. In addition, the recent signing of contracts for seven frigates and order book with three full years on it, meant that the habitual company pleas of poverty fell on deaf ears.

However just as the anger, the commitment to struggle and the solidity of the strike matched that of Timex, the identical weaknesses were also apparent. No sign of an attempt to spread the strike to other workers has yet appeared despite the clear opportunity when workers at Leyland Daf's Albion works, only 100 yards away, voted for strike action over sackings only days into the Yarrows strike. Likewise the

A particularly sickly variant in the Trotskyist/Labourist lash-up is the sweetheart relationship which the groups build up with their pet parliamentarians. The 'Socialist Organiser' group particularly has repeatedly carried articles by Tony Benn and Eric Heffer, while the WRP-supported 'Labour Herald' courted Ken Livingstone even before he became the Sun's candidate for the Labour leadership. The Militant however outdid them all with their very own Labour MPs, Dave Nellist and Terry Fields.

Of course when they run out of British MPs Trotskyists also use their energies to act as cheerleaders for ruling class regimes in other countries. Some of these fan clubs only have limited Trot support (for example the WRP's longstanding adulation of Gaddafi). Others, particularly those who were part of the Soviet bloc — Castro, MPLA in Angola, Vietnamese Stalinists etc. received more generalised support from the Trotskyist organisations.

Like the chameleon whose colour adapts to its surroundings, the Trotskyists also absorb policies and campaigns from the petit-bourgeois milieu which it immerses itself in. Over the years they have repeatedly participated in middle class campaigns against 'special oppressions'. By building such campaigns and providing the veneer of socialist terminology they adapt to the feminists and anti-racists rather than leading a struggle against the capitalist system which feeds on and constantly reinforces inequalities and oppression.

In addition to their commitment to ongoing middle-class hobby horses most Trotskyists will also seek recruits and influence in other more transient campaigns. The heyday of CND during the 1980's saw the various groups scrambling with the Stalinists, Labourists and others to grab their own bit of pressure politics. Likewise the 57 varieties all tried to grab a slice of the anti-Poll Tax campaigns leading to Tommy Sheridan (Militant Glasgow Councillor) putting in his famous appearance to denounce the Trafalgar Square activists.

Some of the groups have prided themselves on their theoretical work. This has resulted in such major breakthroughs as the RCG's break from Trotskyism to Stalinism or the Militant group's assertion that countries such as Syria and

control of the GMB has remained solid despite its initial surprise and opposition to the strike.

#### The Way Forward

The lessons from both these strikes are clear. Combativity can only be a starting point. Workers must also understand how to fight.

Spread the strikes: The miners' strike in 1984 demonstrated clearly that no single group of workers, however strong, can win in isolation when confronted by the massed weight of the state and the ruling class. A simple, isolated, withdrawal of labour is no weapon at all against an employer intent on closure. The most powerful weapon the working class has is its solidarity, its ability to make common cause with other workers, to spread and unify its struggle into a single fight. Real working class solidarity has nothing in common with the fake Trade Union version of giving support via token demos and marches, resolutions and collecting boxes. That is intended to divide workers not unify them. Solidarity means not just joining the strike as an expression of support, but in order to combine your demands with those of the original strikers: not to give sympathy but to make a common front.

# THE CAPITALIST CHARACTER OF TROTSKYISM

Burma had moved beyond capitalism because of the volume of nationalisation.

It is not accidental that the day-to-day activity of Trotskyism is all about seeking these diverse alliances elsewhere in capitalism's left wing. Just as a prism splits a beam of white light into its component colours so the last fifty-plus years has diffracted the politics which were encapsulated in 1938 in the Transitional Programme of the 4th International

#### The Transitional Programme

The Transitional Programme was the founding document of the Fourth International from which all the Trotskyist groups claim to descend. The Transitional method which Trotsky and his followers developed is meant to represent a bridge between the existing consciousness of the workers and a revolutionary Marxist perspective. By raising slogans such as a sliding scale of wages as a response to wage cuts resulting from inflation, or campaigning for other demands which are admitted to be reformist in and of themselves the Trotskyists seek to adapt reformist agitation and lead the workers towards revolution.

The basic error within that perspective is contained precisely within the bridge analogy which Trotskyists adhere to. Unfortunately very few bridges have one-way traffic control! The clear result of the method has been that rather than workers being led to revolution the followers of the Fourth International have been led time and time again to adapting their politics to blatantly counter-revolutionary trends — Stalinism, reformism, feminism etc.

This Transitional Method did not appear out of the blue in 1938 but was formulated and crystallised during the last ten years of Trotsky's life. The abandonment of revolutionary politics in favour of "Transitional Bridges" is indissolubly rooted in two historical factors. The first was in the formulations developed by the Comintern during the early years of the 1920's following the defeat of the revolutionary wave of 1917-19. These policies such as United Fronts with Social Democracy (including applications to organisationally unite within Social Democratic organisations) or concessions to "revolutionary nationalism"

While it is true that the near destruction of the industrial base has massively diminished the number and size of the huge concentrations of industrial workers that once existed, the escalation of the crisis and the width of the attacks on all sections of the class, has brought huge numbers of white-collar workers directly into the firing line, proletarianising them in a way once thought unlikely.

Today, even as Yarrows remains on strike, the objective potential for escalating the strike is considerable. Workers at Leyland Daf Albion have voted for strike this month; the McDermott yard at Ardesier faces 700 sackings; the Highland Fabrication yard at Nigg faces the loss of all 1200 remaining jobs in the near future; but more importantly, hundreds of thousands of public sector workers face real wage cuts under the imposition of the 1.5% pay limit. Teachers, nurses, firemen, local government workers, rail workers and civil servants are all directly and immediately in the firing line. None of them can defend themselves in isolation.

Self-organisation against the unions: The second most important lesson to learn is that the fight cannot be left in the hands of the unions. It is no coincidence that the unions in both of these strikes have played such a negative rôle. The unions consistently and inevitably attack the collective interests of the working class because they are wedded inextricably to the system of capitalism. They are part of the capitalist state. They accept the logic of the market place and the necessity for profitability with all that this entails for the fate of the working class. Together

were accepted as part and parcel of a valid Leninist legacy by Trotsky and his supporters.

The second element which drove Trotsky away from a consistent revolutionary orientation was the failure to correctly react to the deep reaction which had set in. Isolated from his base in the Russian working-class the exiled revolutionary was forced more and more into seeking organisational solutions to the crisis which had beset proletarian revolutionaries. This was expressed in the ongoing pursuit of forces on which the 4th International was to base itself. This led to a worldwide orientation towards left capitalist forces (ILP in Britain, POUM in Spain, French Socialist Party, Musteites in USA etc.). It also provided the ideological justification for Trotskyist participation in the Spanish Civil War — a prelude to more generalised abandonment of principled position during 1939-45.

#### The Present Day Antics of Trotskyism

Having traced the roots of Trotskyism back to the abandonment of proletarian revolutionary positions in the 1930's it is no great surprise to see the present day exponents pleading with the TUC to call a General Strike or appealing to workers to stay in the Labour Party. Neither is it any surprise to see them marching on behalf of this or that self-proclaimed anti-imperialist government or other bunch of armed gangsters.

Our criticism of Trotskyist history in no way seeks to deny the enormous contribution which Trotsky and his followers made during the revolutions of 1905 and 1917 and later in resisting the growth of Stalinism. We nevertheless recognise that, despite the history of their leader and his movement up to the mid-1930's, the current Trotskyist groups are rotten products of the political collapse of the former principled proletarian revolutionary movement. The politics of the organisations are without doubt within the left wing of capitalism and it would be a massive error to imagine that any such organisation could move back into the camp of Internationalist Communism.

Establishing that the organisations are irredeemably capitalist is not to say that each and every militant who has been a contact or even a member is unwinnable to politics. The last edition of WV carried a letter of resignation from the Labour Party by a former Trotskyist entryist who is now working with the CWO. Others who once considered the Labour Party a working class organisation have also taken up discussion with us. As the groups go through their twists and turns floating between Labourism, Stalinism and third-world nationalism, Internationalist Communists will continue to win individuals to the banner of revolutionary politics.

KT

with their partners in the Labour Party they are committed to a political programme for the management of the capitalist economy and to the defence of their own rôle within that. Their "defence" of workers always takes second place to their defence of a "healthy" economy. We know only too clearly what the defence of a capitalist economy means for workers.

If the fight is to go forward, it has to be on the understanding that the needs of the market place are not our concern, that the logic of the market place means only misery for us. We need to be able to say, against the pronouncements of the unions, that our needs come first. To do that we need to organise the struggle from the starting point of mass assemblies, open to everyone in the struggle, breaking through sectoral divisions, and electing accountable and revocable strike committees.

The struggle we are engaged in is a fight to the death. The future which a capitalism in its death throes holds out for us is horrendous, unthinkable. The battle against it cannot be won by any one group of workers in any one place. The entire rotting, insane system must be destroyed and replaced by a society based on the real needs of human beings. Only the working class, fighting on its own terrain for its own interests can achieve that.

**Cormack (Communist Bulletin Group)**



# The Capitalist Myth of a "Free Press"

*By means of an artificially hidden sewer system all the lavatories of London spew their physical filth into the Thames. By means of the systematic pushing of goose quills the world capital spews out its social filth into the great papered central sewer called the Daily Telegraph.*

So wrote Marx nearly one hundred and fifty years ago, yet his lucid observation regarding one of Britain's most odious and right wing publications remains equally valid today; and not only as regards *The Telegraph*, but in relation to the entire inane and reactionary output of the bourgeois press.

In recent weeks and months there has been a good deal of fuss amongst ruling class circles constituting the semblance of a debate over the freedom of the press. The second Calcutt report published in January proposes the setting up of a Statutory body to monitor the press and some new criminal offences to curtail press harassment of individuals. It is clear that the fears of the ruling class over the behaviour of the press have nothing to do with the lies, omissions and distortions propagated by the media in respect of social and political issues. What the Establishment is concerned about is the sully of reputations amongst their own ranks through newspaper exposures of their private lives. It is the stories about Cabinet Ministers' affairs with actresses and prominent Royals making suggestive offers to minor aristocrats that have caused the rich and powerful to throw up their hands in horror. But whilst some minor amusement may be derived from stories about who's bonking who among our eminent and esteemed citizenry, the reporting of the antics of these parasitic scumbags serves no purpose but to provide a diversion from the real issues affecting the working class. In fact the whole current "debate" about press freedom is a diversion because the real debate is not about printing some stupid story about Prince Charles, but is about who owns and controls the press and the media's voluntary self-censorship irrespective of overt state regulation.

## A Radical Workers' Press

Since the dawn of the capitalist epoch the ability to publish newspapers has been seen as a vital weapon in the class struggle by both the bourgeoisie and the prole tariat. In the first half of the 19th century the State tried to restrict workers' access to newspapers by imposing heavy taxes on papers, the main one being known as stamp duty. This ensured that the price of the establishment papers was beyond the means of ordinary workers. However despite the stamp duty, this period saw a flourishing workers' press producing papers affordable to the working class. Many titles got round the stamp duty by simply not registering their publications for payment. Amongst the radical papers were such titles as *The Poor Man's Guardian*, *The Northern Star* and *The Liberator*. Because the capital costs of setting up a paper

were low it was possible for groups of workers and individuals sympathetic to the prole tarian cause to go into print and to rival the bourgeois papers in circulation terms. It has been estimated that the circulation of *The Northern Star* and its successor *Reynolds News* reached half a million (readers but not necessarily purchasers) at a time when the population of England and Wales over 14 was only about 10 million<sup>1</sup>. Furthermore, unlike the brain rotting popular press of today, the radical papers were not produced for passive consumption by workers. Papers such as *The Northern Star* propagated the politics of the Chartist movement and informed workers of struggles going on in other parts of the country and abroad. Although locally based, many papers had a widespread distribution system allowing their publication to be read throughout the country. In this way the radical papers actually played a part in developing the class consciousness and organisation of the prole tariat.

By the 1830's the State regarded the radical press with some alarm. In 1836 the unstamped press had a readership of over 2 million, exceeding that of the official stamped press. The response of the Whig government was a classic bourgeois carrot and stick tactic; on the one hand stamp duty was reduced by 75% to encourage registration, whilst on the other, the government strengthened its search and confiscation powers and increased the penalty for possessing radical papers. Whilst this measure had the effect of increasing the price of workers papers by 400-500% their circulation actually increased and workers, instead of abandoning their papers, pooled their wages to buy them.

## The Bosses Get in on the Act

1848 was the year of revolutions in Europe and the ripples of these social convulsions were felt in Britain in the form of Chartist agitation for universal (male) suffrage culminating in a march on parliament by what is said to be the biggest demonstration in British working class history. Fearful of the prole tarian threat to its order the ruling class saw the need to improve the dissemination of bourgeois ideology within the working class in order to quell revolutionary ideas. A campaign was organised by a group of liberal bourgeois to abolish the newspaper taxes. In typical bourgeois fashion the campaign was based on the high sounding principle of abolishing the tax on knowledge. However this was just a thinly veiled disguise for its real purpose: to reduce the price of newspapers creating a commercially viable popular press which would propagate bourgeois ideology in

the working class, and of course, make profits for capitalist entrepreneurs. Statements made at the time clearly reveal their aims. Milner-Gibson, president of the Association for the Repeal on the Taxes on Knowledge said that the abolition of taxes would create:

*...a cheap press in the hands of men of good moral character, of respectability, and of capital.*

In argument against the stamp duty Palmerston stated:

*The larger we open the field of instruction the firmer the foundations on which the order, the loyalty and good conduct of the lower classes will rest.*

Between 1853-61 the newspaper taxes were abolished and surely enough the impact of this was to contribute to the demise of the radical press in the latter half of the century. The abolition of duties created a massive new demand for popular newspapers which in turn led to the development of expensive new technologies making it increasingly difficult for the radical papers to survive. With the additional capital now required, it was also necessary to boost circulation figures in order to make a paper financially viable. Whilst in 1837 *The Northern Star* began publication with capital of under £1000 and could break even with a circulation of 6,200, by 1926 *The Sunday Express* required a capital investment of £2 million before breaking even with a circulation of over 250,000. In recent years the abortive *Sunday Correspondent* launched in the 1980's folded after a few issues (as did the "socialist" *News on Sunday*) despite having capital backing of £12 million.

## The Totalitarian Mass Media

In short the process of centralisation and concentration of capital in the newspaper industry has precluded the working class from producing a national paper with a mass circulation. Even by the standards of modern capitalism, the British press must be one of the most monopoly orientated industries in the world. The majority of the British national dailies are owned by four large companies: Mirror Group, Murdoch's News International (*Sun*, *Today*, *Times*), Associated Newspapers (*Daily Mail*), United Newspapers (*Express*, *Star*) and these companies themselves are part of larger multinational concerns. The so-called quality papers such as *The Guardian* and *The Independent* are also owned by large firms and *The Telegraph* is owned by Hollinger (Black), another multinational concern. It is therefore not surprising that these papers entirely reflect the interests of capital and the editors and proprietors are at least as aware as their 19th century predecessors of their rôle as the defenders of capital. As Peregrine Worsthorne of *The Telegraph* stated in 1983:

price. This means a price rise from \$2.86 to \$85 per 1,000 cubic metres. The law of the market may well prove a powerful antidote to those 'newly independent states' of the old union who are thinking in terms of going their own way. However, apart from confirming that the states of the ex-Soviet Union are all up the proverbial creek together, it is difficult to see how Russian capital can get out of its economic impasse by economic means alone. The consequences for the world are incalculable.

## ... And the Working Class?

The working class in Russia and the old Soviet Union is facing a desperate situation. There have been strikes — notably of miners — and no doubt of other workers which we haven't heard about. There have been demonstrations against inflation and the lack of basic food supplies, but so far no concerted working class response. As we have written before, this is not so surprising, given the disorientation which must exist amongst a workforce which for generations was told it was living in a socialist society. The fact is that Russian workers are in the same boat as the rest of the working class in this crisis-ridden capitalist world. They face only more attacks and the sooner they face up to the need to defend themselves the better. As elsewhere, this will have to involve a conscious political battle to create a genuinely communistic

*....It is difficult to overestimate the extent to which the writings of Marx strengthened my Conservatism by making me aware of the prole tarian danger and the need to combat this threat by all means fair and not so fair!*

The clearest examples of the class nature of the press can be seen in connection with the reporting of class struggle and war. With regard to the former it is more and more the case that strikes are not reported at all so that workers do not get to hear about the struggles of their class comrades elsewhere. For example, during 1989-90 there were a substantial number of big strikes throughout the ex-Soviet Union, yet few of these were reported in the British press. Where strikes are reported they are typically subject to distorted coverage as seen during the 1984 miners' strike. It is standard practice to use such tactics as exaggerating the numbers of workers returning to work, sensationalising militant actions against scabs whilst ignoring the use of violence of scabs against workers, reporting only the views of union bureaucrats and scabs and denying a voice to militant workers. The whole thrust of press coverage is to present strikes in a negative light in order to break the morale of the strikers and to discourage other workers from taking solidarity action.

With regard to war the press demonstrates its unswerving loyalty to the State as we have seen in recent times in relation to the Falklands War and the Gulf War adventures. Any criticism of State policy is usually postponed until the action is over. For example we are only just beginning to see figures for the massive number of civilian casualties during the Gulf War of 2 years ago. It should also be said that these comments regarding the press are equally true of the TV and Radio.

You don't have to have special insight to see that the press and the mass media as a whole serves to reinforce the totalitarian ideology of modern capitalism. Whilst the working class is denied the means of mass communication afforded to the bourgeoisie, it is nevertheless crucial for workers to establish and their own means of communication in order to deliver the information about struggle and vision of an alternative society which the bourgeois press exist to suppress.

PBD

1. *Power Without Responsibility: The Press and Broadcasting in Britain*, 3rd Edition, James Curran and Jean Seaton, Routledge (1988).
2. *ibid* p26.
3. *ibid* p25.
4. Quoted in *Media Hits the Pits: The Media and the Coal Dispute*, Campaign for Press and Broadcasting Freedom.

## Russia: The Economy Crumbles...

*continued from page 3*

The story of Western multilateral state aid is a similar one. Having followed IMF and World Bank instructions on how to dismantle the 'command economy' and move towards the magic solution of the 'free market', Russian capital is now being told that it hasn't yet fulfilled the conditions to receive the \$24bn promised last year by the Group of Seven countries. Before qualifying for this the Russian state will have to reduce its deficit in relation to GNP and inflation will have to fall. Quite simply a Catch 22 situation. Basically the West old Russian capital, "You're on your own" and apart from a few joint ventures in the car industry and aerospace only the exploitation of Russia's vast mineral resources and raw materials such as oil and gas are regarded as possible lucrative fields of investment. At the same time the EC is trying to protect its own industries by imposing import tariffs on cheap goods such as steel from Russia and eastern Europe generally. So much for the virtues of the free market! As one Western commentator put it:

*The West is good at giving advice liberally; it invests stingily; it gives aid under conditions; it hardly gives a generous welcome to products. Finally, it closes its doors when it's a matter of welcoming people inside.*<sup>3</sup>

## Whither Russia?

The Russian capitalist class is beginning to realise it will get nothing for nothing from the West and, as we have said, the Yeltsin-Gaidar option is losing ground. Yet if the new consumer society based on brand new technology remains a dream there can be no going back for this bankrupt state. In Russia, no less than for the world economy as a whole, there is no escape from the 'law of the market' because all this really means is that capital — whether totally or partially in private hands — cannot escape its own law of value. It is a law which the Stalinist 'command system' pretended did not exist in Russia even though it did) but which has finally made itself felt nevertheless. The same class of people who once thought that Russia's dominant position in the Soviet Union could be maintained by a central plan which overrode the law of value are now turning to 'market forces' to regain that dominant rôle and save something of the Russian economy. Today "the market price for oil and gas" is being demanded by Russian capital from its erstwhile Soviet Republics. At the time of writing Russia has just threatened to cut off gas supplies to the Ukraine if it doesn't start paying the market

society — with the free distribution of goods according to human need. This is partly a matter of recognising that the remnants of the old Stalinist system have nothing to do with communism. Workers in Russia have no interest in defending the old state industries as such, much less the old state capitalist planning apparatus. No, the class conscious worker in Russia will be turning back to earlier occasions in the history of our class — 1905, 1917 — when the Russian proletariat showed the rest of the world's workers the way forward, forming its own organs, potential means of managing the production and distribution of goods in a new society run by workers themselves. This though will be part of a conscious struggle to rediscover the real proletarian character of the October Revolution. Workers in Russia and throughout the ex-soviet bloc won't spontaneously rediscover internationalist communism. The rebirth of the Trotskyists, Stalinists, Social Democrats and Fascists show this. This makes it all the more important for Internationalist Communists to get their ideas into Eastern European languages to begin the fight to reach workers reawakening from seventy years of a Stalinist nightmare.

ER

- 1 14th February 1993
- 2 According to *Le Monde Diplomatique* February, 1993.
- 3 Marie Lavigne op.cit.



## South Africa

# A Step Towards Nonracial Exploitation

In mid-February the South African government and the ANC agreed to draft proposals for a transitional government, a timetable for its implementation and the resumption of the constitutional conference (Codesa). *Workers' Voice* has consistently argued that the interests of capitalism demanded the death of apartheid and the institution of nonracial bourgeois democracy. Although the process has been a drawn out and messy one, the recent events are a further confirmation that it is the needs of capitalism which are the motor force behind developments, and that the major players in this development are capitalist factions.

The Codesa talks were deadlocked from May '92 because the capitalist faction represented by the Nationalist Party and the SA government demanded a veto for whites in the future constitution. This was irreconcilable with the position of the other major capitalist faction, the ANC. The breakdown of the talks was followed by 9 months in which both factions have tried to strengthen their position outside the talks. The government stepped up its campaign of murder and mayhem designed to demoralise the ANC supporters into accepting any deal which would end the carnage. This culminated in the Boipathong massacre of June '92. After this the ANC formally broke off the talks and launched a series of protests, the most significant being a 2-day general strike in early August in which 3.5 million workers took part. This strike was too short to seriously embarrass SA capital. It was not designed as a class response to class issues. It was a controlled warning by the ANC to the government of its ability to mobilise black workers for its capitalist ends and as such it was successful. Other protests were fairly ineffectual. It was, however, the continuing economic crisis and social breakdown which forced compromise and resumption of the talks.

From the reports which we have it appears that it is, as we predicted, the ANC which has gained most from the 9 months breakdown of the talks. There appear now to be no demands for a white veto, only an agreement for a transitional government to remain in power for five years while an elected assembly drafts a new constitution. As predicted in WV 61, De Klerk has had to abandon his support for the programme of massacres which the regime was pursuing with such enthusiasm. A start has been made to clearing out the top ranking butchers from the military and police and the rug is being pulled from under Buthelezi and the Inkatha

thugs, who are now clearly visible as creatures of the regime. At the same time Mandela has qualified the ANC's programme of nationalisation of the mines and other capital, a programme clearly unacceptable to Western capitalism as a whole, to the point where these things are simply not on the agenda. Also workers have been warned of the need to limit their expectations of better conditions after the institution of bourgeois democracy, i.e., capitalist exploitation will continue just as savagely.

## Western Imperialism

South Africa is still a country with vital interests for Western capitalism which needs to continue exploiting its minerals and its labour. Now that Russian imperialism has been eliminated from the area, Western imperialism is free to dictate a settlement and it is Western imperialism which is the determining force behind the moves towards settlement in this part of Africa. The principal events of the last few years such as the Namibian settlement, the moves towards settlement in Mozambique, the Angolan elections and the recent denunciation by the US of its creation, UNITA, and the impending changes in Zaïre all show the hand of Western imperialism moulding the area to its needs. These needs are nonracial capitalism with efficient and cheap client governments administering the area to the dictates of the IMF for the benefit of Western imperialism as a whole. The intervention in Somalia stands as a warning that direct intervention elsewhere in Africa to protect Western capital is a distinct possibility. In South Africa it is clear what is required and the major players are learning to dance to this tune, despite the ideological somersaults they are having to perform.

## Working Class Opposition

As we have documented in previous articles conditions for the working class are atrocious. Neither international capitalism nor the local factions such as the ANC have any interest in or intention of changing this. South African workers need to unite, both black and white, and oppose all factions of capitalism. They need to struggle for better wages and conditions against the common enemy. It is particularly important for black workers to break with the ANC and take the road to class politics.

CP

# Letters:

## Our reply to a symphiser of the ICC

continued from page 4

*Internationale*, which doesn't mention the CWO except to demonstrate what cretins we are, this is not surprising<sup>1</sup>). Thus you even have to distort what we say about racism and democracy to manufacture another false polemic. Yes, it is true we must fight all attempts to divide the working class but this cannot be done merely by words. Racism is a product of capitalism and is a vicious attack which directly hits black workers, and indirectly all workers by dividing the class. Our aim is to show black workers that we want to resist this attack here and now through the solidarity of all workers, but that the only real solution is the destruction of capitalism itself. This is not the same as defending democratic rights or joining reformist anti-Nazi campaigns. This is why we chose the headline (Down with Racism, Down with Democracy). The leftists fight to save democracy, we exist to show that it is in reality the dictatorship of the bourgeoisie and as such has

nothing to offer any worker, whatever sex, race or trade. Again it is not a difference in principles that divides us but a difference in how we see the extension communist ideas in the working class. The ICC is idealist because it thinks that by having the right kind of denunciations you wake people up to the consciousness of their situation. This is not how a proletarian movement is going to be built up. We have to find ways of demonstrating in practice what internationalist communists are, without for a second hiding our ultimate goals. At moments like the present there are small opportunities for extending the basis of our politics. We intend to try to take them.

Yours for communism  
Jock (for the CWO)

1. This can be seen in the February edition of *RI* where neither the CWO nor the IBRP are worthy of a mention in a discussion about the political milieu.

# Life of the Organisation

## Who are we?

The Communist Workers Organisation has existed since 1975 but the political origins of our positions are much older. We regard ourselves as heir to a common tradition which goes from the Communist League of Marx and Engels through the First, Second and Third Internationals to, most recently, those left currents which were expelled from the Third International in the 1920's as the process of Stalinisation developed.

We have always been opposed to Stalinism, Maoism, Trotskyism and all the other counter-revolutionary distortions of Marxism.

Since 1984 we have formed part of the **International Bureau for the Revolutionary Party** initiated by **Il Partito Comunista Internazionale** (*Battaglia Comunista*). The Platform of this organisation can be found in the first edition of its journal *Internationalist Communist Review* (formerly *Communist Review*) (£1 from the group address) but our basic positions are at the foot of this page.

## Appeal to Readers

Fifteen years of capitalist onslaught have left communist groups as tiny minorities compared to the tasks in front of us. Our resources are inadequate to fight the lies of the capitalists (both free market and state varieties).

We therefore appeal to all contacts, readers, sympathisers and subscribers to help in the struggle to give an authentic internationalist communist voice to the process of self-emancipation of the working class.

You can help by sending for bundles of leaflets or papers. The essence of political organisation is debate so you could also help by sending us letters (however critical), either about articles in previous issues or about your own experiences or ideas.

The continuation of capitalist rule depends on the passivity of the exploited class. Help us to break that cycle.

## Other Publications

### The Platform and Statutes of the International Bureau for the Revolutionary Party

These are now available in English, German, French, Spanish, Italian, Bengali and Farsi. Each price £1.

### Internationalist Communist Review

is the central organs in English of the IBRP. Each individual issue is £1.50.

### Revue Communiste

in French (write to CWO address),

### Internationalist Notes

in Farsi

### Prometeo

Theoretical journal of the Internationalist Communist Party (Italy)

### Battaglia Comunista

Monthly paper of the PCInt (Italy)

We also have publications in **Bengali a, Slovene, Czech, and Serbo-Croat.**

Please write to the appropriate address. (PCInt for **Internationalist Notes**)

## Subscription rates

Subscription to **WORKERS VOICE** (6 copies): £2.50 in UK and Eire, £4.00 elsewhere

Subscription to **WORKERS VOICE** (6) and **Internationalist Communist Review** (2): £4.50 UK/Eire £5.50 elsewhere

Supporter's subscription: £10

Cheques should be made payable to "CWO Publications"

Back issues of most publications are available.

Please send local currency OR if writing from abroad **INTERNATIONAL MONEY ORDERS** (within the sterling area postal orders are acceptable). We regret we cannot cash ordinary cheques as the international banking system takes the first \$9 out of \$10 for doing this).

## Pamphlets

CWO Pamphlet No. 1  
**Economic Foundations of Capitalist Decadence** £1

CWO Pamphlet No.2  
**1917** £2

## Internationalist Communist Review 11

is now out and includes articles on:

**The War in Ex-Yugoslavia**  
**Trotskyism and the Collapse of the USSR**  
**Imperialism and the Working Class**

Price £1.50 from our address or in the bookshops mentioned on p.3

New publication in French

### Bc Inform No. 1

is now available containing articles on the situation in Italy, a polemic with *Le Proletaire* and an editorial on the purpose of the publication. It will be sent free to any subscribers who request it. For others it is 50p per copy.

## Meetings

### Sheffield

### Public Meeting International Revolution not National Recovery

**Thursday, March 18th 1993**  
**The Grapes, Trippet Lane**

### London

#### Readers Meetings

These will be held regularly in Conway Hall. The next is in March. Write to group address for details

## Addresses for all correspondence

CWO  
**BM Box CWO, London WC1N 3XX.**

Il Partito Comunista Internazionale,  
**CP 1753, 20101 Milano, Italy.**

# Our Basic Positions

1. We aim to establish a stateless, classless, moneyless society without exploitation, national frontiers or standing armies and in which *the free development of each is the condition for the free development of all* (Marx): COMMUNISM.

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

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

4. The Russian October Revolution of 1917 remains a brilliant inspiration for us. It showed that workers could overthrow the capitalist class. Only the isolation and decimation of the Russian working class destroyed their revolutionary vision of 1917. What was set up in Russia in the 1920's and after was not communism but centrally planned state capitalism. There have as yet been no communist states anywhere in the world.

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



## Government Corruption

# £10 MILLION—DOING THE LAMBETH WALK

While the bulk of Britain's press concentrated on the Royal family or juvenile crime, Britain's biggest corruption scandal was quietly unfolding in Lambeth. As yet no charges have been brought against individuals, although the investigation hints that the fraud and corruption stands to exceed that of John Poulson and T. Dan Smith in the 1960's.

Perhaps Lambeth hasn't hit the headlines because these latest revelations aren't really shocking. Investigations into shady dealings in the borough have been undertaken on and off since 1984. In 1987 councillors spent £75,000 on a report looking into the situation. The result was a wasted £75,000 since most of the 103 recommendations never saw the light of day. This latest round of corruption certainly exceeds all others in scale. It is estimated that near to £10 m has been siphoned off over the past decade. Most of it was through housing repairs and civil engineering. In some cases sub-contractors overcharged the council by 138%

## Tendering and Redundancy

The Tories' laws forcing compulsory competitive tendering paved the way for some of Lambeth's contractor corruption. These laws managed to divide up the workers into small units often with worse conditions and at a lower wage. But it didn't manage to provide either the "competition" or "value for money" it promised. Quite the opposite; contractors have carefully lined their pockets in Lambeth for the past decade. Meanwhile council tenants stand to be hit twice over; not only have they had to endure the poor housing conditions created by corruption, they will end up paying for it through massive rent increases. Rents are due to increase by 20% in some cases and further rises are likely.

Meanwhile back at the Town Hall redundancy payments of £1.8 million were paid to 214 staff. Some senior staff formed small companies which later bid for and won contracts with the council for doing their old jobs. Of course less senior staff were also made redundant through this period. Some workers who had been employed by Lambeth for 25 years or more were given 3 days' notice and are still waiting for redundancy payments after over a year.

Corruption, of course, isn't just confined to Labour councils, although they do excel at it: witness the plight of those in Hackney, Sheffield, Monklands and Liverpool. So-called socialists abroad near perfection when it comes to corruption on a mass scale, as the recent scandals surrounding the Milan base of the Socialist Party of Bettino Craxi illustrates. But Tory and Liberal Democrat councils have developed the technique with scandals in Bromley, Westminster, Brent, Tower Hamlets and Enfield. Claims have recently emerged of £166 millions worth of "mismanagement" and fraud in Whitehall over the last two years. It should also not be forgotten that when Lambeth was Tory-controlled in 1970 a scandal broke over an overcharge of 30% on £500,000 of building work.

Capitalism and corruption go hand in hand. The old argument that if only corruption could somehow be stamped out, capitalism could work more efficiently, is so simple it seems obvious. But it misses the point; capitalism is by its definition an inefficient system because it produces for profit, and short-term profit at that. Corruption is an inevitable part of that.

But corruption becomes harder to hide the further the capitalist economy slips into crisis. Corruption and bribery may become more

necessary for many businesses and contractors as the slump gets worse, but such deals face exposure when councils cut back. There is increasingly less fat to hive off and the whole thing becomes too large to hide. The scandals in the private sector (including Blue Arrow, BCCI, Guinness and Maxwell) rose to the surface as the economy slid into even greater crisis. The public sector is no different and it is no coincidence that it is now that stories of multi-million pound frauds are leaking out.

## "Socialist" Cuts?

That Labour councillors use the term socialism is a confusion for workers rather than a scandal. Especially when the open attacks caused by the cut-backs have been carried out in the name of "socialism". This latest bout of fraud only confirms that those elected to local government cannot defend the interests of the working class, no matter how "leftwing" they are.

Lambeth has been held up as a great example of municipal socialism. It is indeed an excellent example of the Left in action. Their pro-working class image quickly fades with one look at their actions. This financial year Lambeth will cut £23mn from services. £9mn will go from education, £8mn will be cut from social services and £800,000 will go from housing. At least 1,000 jobs will be lost. On top of all this workers in Lambeth have the biggest poll tax in the country (£425 p.a.) and the property tax promises to be a nasty surprise.

Not only have the left been implementing savage cuts, some of them have been busy lining their own pockets by ripping off the people they pretend to represent. Those individuals like "Red" Ted Knight who went to the greatest pains to show themselves to be real socialists

have been busily looking after their own interests. Red Ted is the man who once came up with the spectacularly stupid idea of turning the police in Brixton into a force answerable to the working class. A bit like making prison warders answerable to the prisoners. It doesn't take much to work out that the forces of the state are hardly likely to represent the interests of the capitalist state's class enemy, the working class. But whilst Ted was spouting his confusions masquerading as "socialism" his real interests lay elsewhere. Red Ted is now the ex-director of a building firm which won contracts worth £461,653 from Lambeth Council. He is indeed a fit companion for the other great "socialist" of the 1980's, Derek Hatton, who also built up a personal fortune in ex-council property at the expense of the working class.

## Socialism and Left-wing Capitalism

For years communists have pointed to left Labour councils as examples of the way the left of capital leads workers away from real attacks on the state. Capitalism cannot be attacked by voting for left politicians, no matter how radical they sound or believe themselves to be. It can't be attacked from within, it can't be attacked by putting a cross on a piece of paper. Socialism isn't the rule of a few left-wing capitalists from a town hall. Real socialism can only come about when workers dismantle the state in all its forms. This requires active involvement by the majority of workers or it will fail. Socialism isn't about how to best manage capitalism. It's about workers controlling the means of production to produce for society's needs and not bosses' profits. It's about workers running their own lives through workers' democracy.

The Lambeth scandal only draws attention to the fact that the left in power is just as capable as the right of implementing savage attacks on workers. Workers in Lambeth will pay for this for years to come. So far there has been a limited response by workers in Lambeth facing cuts and redundancies; just one day of action called by NALGO. Such isolated and useless token actions by the unions simply invite job losses and cuts in services because the union is also part of the local state's management structure. The corruption in Lambeth demonstrates that organisations paying lip-service to socialism and the working class are the worst type of class enemy. Until workers realise this on a mass scale they will continue to pay through the teeth. RT

## World Economic Crisis

# CAPITALISM OFFERS NO SOLUTIONS

"Why isn't the Labour Party doing anything?"

"We need a budget for jobs"

"If we had an energy policy we could keep the pits open"

These and other ideas have been said by workers over the last few months at meetings and rallies all over Britain. The idea that there is another capitalist policy which can fix the present crisis is widely held. Budgets for jobs or programmes for national recovery are the goodies which the left-wing of capital are trotting out to entice the working class.

These solutions are mythical. They ignore the fact that economic crisis isn't just a British affair. It is a global crisis which has been getting worse for two decades. There can be no "British solution" and as we will show here, it is dangerous to even talk of one.

## Even in Japan...

Last July *The Economist* was smugly telling us that there was no slump just a little "disinflation"! Since then of course we have had the virtual collapse of the European Monetary System amidst heightened moves towards an all-out trade war, as the Uruguay Round of the GATT talks stalled. Even those much-vaunted giants of industrial progress, Germany and Japan, have hit the buffers. Japan is in a particularly vulnerable position as it is especially dependent on overseas trade for expansion.

With a decreasing level of profitability it also means that there is a decreasing market as firms stop investing. With the consumer boom of the '80's coming to an end (since, for example, every British person now has debts equal to 100% of disposable income), Japanese profits have declined for 4 years and unemployment is now officially at an unprecedented 2.4%. This may not sound much until it is realised that women part-time workers (who make up the bulk of the layoffs) cannot register and that the Japanese policy of a job for life means that many companies carry workers who have no jobs. It is calculated that this could add another 6% to the unemployment rate. As the Japanese banks (with "bad" debts of ¥50,000bn or about 12% of GNP) went into crisis last August the government announced a £57 billions package of investment in emergency projects. This was admired at the time but it has not halted the decline as only 5% of Japanese firms have benefitted from it. Clearly the crisis is only just beginning to make itself felt. There is now open talk of abandoning the jobs for life culture and the same kind of cuts and restructuring which have occurred in the USA and Western Europe are having to be made in Japan.

It is no accident that the decline in Japan's growth rates (from over 12% a year in the early 1970's to the present 1.6%) mirrors the path of the crisis throughout the world. The question is "where is the world economy heading"?

## The Laws of Capitalism

Clearly the ruling class have no idea. Here, for instance, during the last 2 years they have been talking of the "green shoots of recovery" alternately with "bumping along at the bottom of the recession". But the recession has not bottomed out. Whatever short-term "recovery" the government hails the long-term structural crisis has been around for the last 20 years. World capitalism has reached the end of one of its historical cycles of accumulation. It has been here before. In the period 1870-1914 capitalism's "market forces" led to a process of centralisation and concentration which reduced competition at home and exacerbated rivalry between capitalist states. Monopoly at home and imperialism, accompanied by high tariffs and trade wars, abroad characterised the new epoch. Trade wars led to shooting wars and ultimately these led to WWI. This war brought an end to a cycle of accumulation. In the 19th century these cycles had been relatively short (about every 10 years). They were restarted when firms collapsed. This led to devaluation of capital and allowed the stronger capitals to take over their weaker rivals and begin a new cycle of accumulation. Such devaluations were usually quite small scale but by the end of the 19th century the level of concentration of capital was so high that only a massive devaluation could resolve the crisis. Global war became essential to the accumulation process.

WWI not only destroyed capital values it also allowed a massive relative devaluation of labour power. However it was only enough to fund a relatively weak revival of capital. The second cycle of accumulation of this decadent capitalism came to an end in 1939 with the start of WWII. The massive and barbaric destruction of this war far outweighed that of WWI. It thus gave rise to one of the greatest booms in history. However by the end of the '60's it was clear that this boom was ending and the 1972 US devaluation of the dollar, the lynchpin of the post-1945 system, destroyed the central pillar of the system's stability. World capital had now reached the end of the 3rd cycle of accumulation. Today, after successively piling up massive debts, restructuring industry on a massive scale (largely through new technology) and trying to create new trading and financial arrangements, capitalism still has not escaped from the central problem of overvalued capital.

It is only because the world's ruling classes have tried to avoid past errors that we have not had a 3rd world war by now. However, little by little, the process is getting out of the control of the world's rulers.

## The Shadow of a Trade War

Let's look at this more closely. The collapse of the USSR and its empire was seen by many as a golden opportunity to escape the arms race (which, through its record debt, had pushed the USA close to ruin too) and to find a new market for Western commodities in the East. But the collapse of the Soviet state also saw the collapse of its economic capacity to purchase new commodities. The devaluation of capital in one area may help a few specific capitalists to get cheap labour and commodities, it does nothing for capital accumulation in general. Thus far from being a step towards peace the collapse of the USSR has only removed one of the disciplining forces over the various Western bloc powers. In military terms there is no doubt

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