

WORKERS VOICE

40p

March/April 1994

No. 71

The Capitalists have no Answers to the Crisis

Capitalism is today not simply in a recession but in a deep structural crisis of profitability. It is an economic crisis reminiscent of those that preceded the First and Second World Wars. But capitalism today is different from the capitalism of 60 or 80 years ago. This economic crisis of increased unemployment and low, if not negative growth rates, has not led to a total capitalist collapse nor to generalised working class resistance. This is a complex question but fundamentally it is because we have a capitalist economy which is today fully an internationalised one with every area linked into the world economy. Governments and huge monopoly transnational corporations act, with various degrees of competition and rivalry, to manage the crisis. This does not solve it but tends to even out its effects. With one or two exceptions this global cooperation has generally avoided desperate situations developing. Whenever a currency has been under pressure the big banks have bailed it out. And whenever a banking collapse has threatened any sector of the world economy then the combined forces of government have come to the rescue with forced mergers and subsidies. This cooperation has certainly avoided a slump like that of the 1930s. This also explains why this crisis is the first in the history of capitalism where mass unemployment and inflation have existed

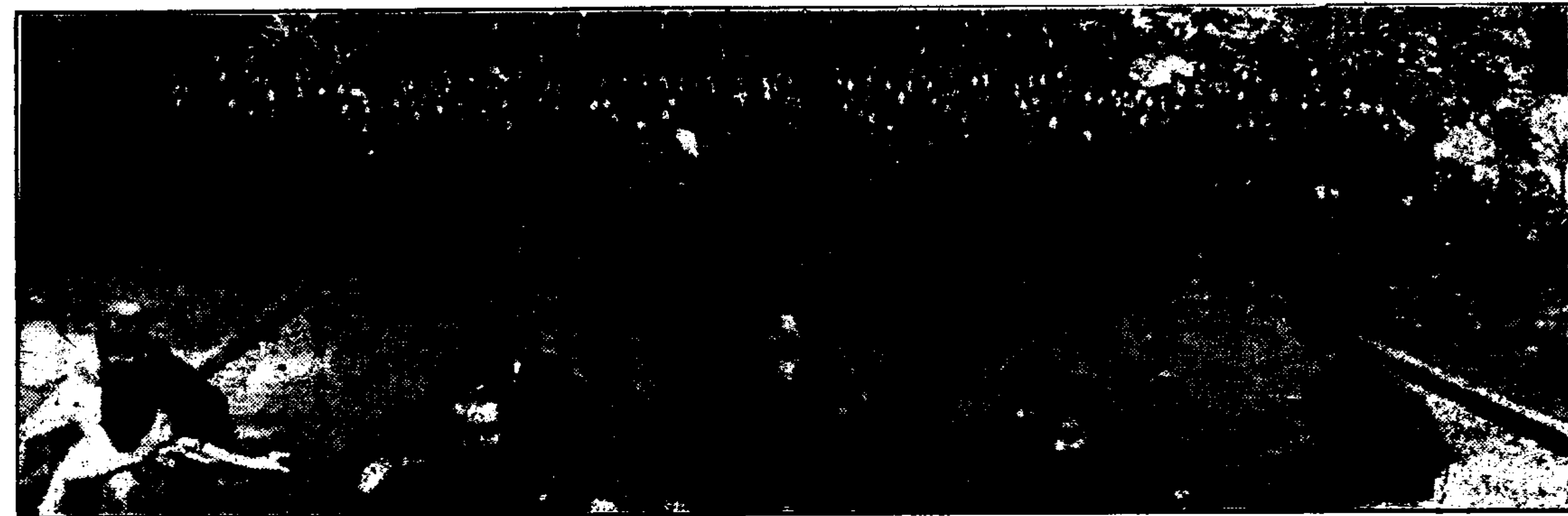
together. After twenty years of stagnation we should be seeing falling prices but the only thing that has fallen is the living standards of the working class.

Marx noted the ever increasing process of concentration and centralisation of capitalism

of capital at its disposal to ignore the power of international finance capital. As a result the capitalist state is not simply the master of its own destiny. It has to provide the best possible conditions to attract international finance capital.

The most significant of these is the disciplining

there are few working class responses to the increasing misery which capitalism inflicts. Partly this is because the capitalist ruling class have learned much from its own history. Whilst Social Democracy saved capitalism from the revolutionary working class by massacring Marxists earlier this century (see *Workers Voice* 69 and 70) and then promoting "social" capitalism after the Second World War, today it is reduced to applause on the sidelines as the right-wing of the bourgeoisie cut much of that social security system. However even the Right has, until now, been circumspect in its attacks. They have made few general attacks on the working class but attacked us section by section. In this the trades unions have ably supported the state by condemning every effort by workers to link their fight or take control of their own struggles.



Ten years after the miners' strike democratic totalitarianism has become all pervasive

but did not live to see the arrival of monopoly capitalism. Not did he see the concentration of capital at the level of the nation state that characterised the early imperialist epoch in the first half of this century. Today, though, that process of concentration has continued until even the capitalist state itself (with the possible exception of the USA) has an insufficient mass

of the working class. And here what the state has lost in economic power it has gained in political power. There can be few occasions in the history of capitalism when the ruling ideas have been so dominant over the working class as today (see article on p.4 on class consciousness). Ten years after the miners' strike democratic totalitarianism has become so all pervasive that

Now, however, the increasing fragmentation of the working class under the impact of the crisis, and the process of industrial restructuring has paved the way for more general attacks. In this issue of *Workers Voice* we begin by looking at the latest attacks on working class living standards by the increases in taxation and the cuts in housing provision.

Making the Working Class Pay for Capitalist Failure

Recent revelations surrounding the private lives of some MPs may have raised a snigger in the press, but the real scandal is that these antics act as a conscious diversion from the new round of economic attacks on the working class. While journalists and reporters compete to find juicy

trivia, life under capitalism for the bulk of the population grinds on, with worse to come. In Britain, our class has not been thrown into the horrors of war facing workers in ex-Yugoslavia, or the mass starvation decimating our class in Somalia, but the ruling class here like everywhere else is hellbent on squeezing the life out of us to make us pay for their crisis.

the working class has lost £3 a week. As usual, those who are most badly hit are single parents and the unemployed, with sick workers facing additional taxation with the increased prescription charges due in April. Ours is a government with real class loyalty. It has constantly rewarded the members of its own class in the way it cut taxes in the late 1980's and increased them in last years budget. Again the rich will benefit to the detriment of those who can least afford to subsidise them. But these rises in taxation are not simply a result of the greed and unfairness of Tory MPs. There is another, far more serious, reason why the workers are being hit with higher taxes – the economic crisis. Our ruling class has always made sure we paid for the failure of their system. The easiest way to hit the working class is to hit those sections who are unlikely or unable to hit back, and with the UK national debt currently standing at around £50 billion, the need to start spreading the attack is urgent. The Tories may talk a lot about the magical "recovery just around the corner", but even they are not willing to face it.

Workers Pay for the Capitalist Mess

The working class, employed and unemployed, will pay for the horrendous mess capitalism has

created. This is nothing new, one of the greatest myths peddled by the Labour Party during this century, has been that the capitalist state has provided health care and benefits for workers in need. Their campaigns to save the welfare state are campaigns to save all aspects of the capitalist state. In reality it has always been the working class which has paid for the NHS and the benefits system through taxation. The state raised its revenue directly from workers' wages and the Labour Party dressed this up as a great leap forward for workers.

Crisis and Unemployment

But problems emerged with the start of the current crisis. Once high levels of unemployment arrive the amount you can squeeze out of workers becomes limited, especially when wage levels are driven down. This problem was partially offset in the 1980's with the use of North Sea oil revenue and receipts from privatization, but an increase in unemployment means an increase in welfare expenditure and a decrease in the amount coming in from taxation. And there's the dilemma. In capitalist terms there are two apparent ways out, and the state is taking both of them; to cut state benefits and spending and to raise the burden of taxation on the working

Contents

US and World Domination	2
Capitalism means War	3
Class consciousness	4
Islam and Capitalism	5
Attacks on Housing Benefit	6
Unemployment "training"	7
The Crisis in Russia	8

Taxing Questions

The latest attack will be seen with increases in both direct and indirect taxation in April. Indirect taxation is a special favourite of the bourgeoisie, because it always hits the poorest sections of the working class harder than anyone else (see *Workers Voice* #68: *More crisis, more cuts*). Greater increases in both types of taxation are planned for April 1995. The Government itself estimates that a family on "average" earnings (expected to rise to £20,243 in 1995/6) will pay an extra £22.32 a week in direct taxation. But even with direct taxation, the greatest losers are the poorest section of our class.

Since the mid 1980's, changes in taxation have given the richest 10% an extra £30 per week. At the same time the poorest 10% of

The United States and World Domination

The propagandists of the bourgeoisie proclaimed the "end of history" following the collapse of the "Soviet" Union on the basis of a supposed new cycle of accumulation after the victory of good over evil. In reality, since the fall of the Berlin Wall there has been the spread of crisis and conflict. The views expressed in the propaganda are totally incapable of explaining either the collapse of the USSR or the subsequent new dynamic.

There is no new world order but a phase of instability. The crisis was not and is not due to the existence of the evil empire but to the structural contradictions of the system and in the cycle of accumulation both in the East and the West. A glance at history shows that the US and the world underwent impressive growth between 1945 and 1970, precisely because the Second World War removed the causes of the interwar crisis.

Yalta

Yalta was not a defeat for the West resulting from Stalin's cunning, as its propagandists claim, but a deal underlining the fact that the US was the War's real victor. Neither Germany nor Japan had been able to attack the mainland US, which doubled its productive capacity in the years 1940-5. Yalta assigned Japan and Western Europe to the US's control, and Eastern Europe to the USSR. The West was the best deal!

But Yalta, in giving birth to a bipolar system of control, benefited both poles by reducing instability. This system developed with the European powers surrendering their empires, leading to the ex-colonies (for the most part) falling into the sphere of direct US influence, and, at Bretton Woods in 1949, with the acceptance of the dollar (at a fixed rate against gold) as an international means of payment. This meant handing monetary control throughout the West to the US.

However, the West was happy with US domination throughout the period up to the '70's, precisely because the military alliance corresponding to the domination rendered them safe from attacks from the East and they could participate in the massive growth of this period. When the Cold War was won, there was the temptation to think that the crisis was over. But this is because they did not realise that the destruction of the productive apparatus was a necessary factor for a new cycle.

World War is not a product of human evil but of the contradictions of capitalism. When the rate of profit falls so that there is a surplus of capital (relative to the possibilities for its profitable employment), it is necessary to solve to types of problem: a) the destruction of the excess capital; b) the question of which imperialist dominates the world. By resolving these problems, war lays the basis for a new cycle. Without the destruction of war, the collapse of the Soviet Union results only in a new phase of the crisis, not its solution.

The Decline of the US

From 1945 to 1970, the US grew on the basis of its internal market and its hegemony over its allies, without greatly conflicting with the growth of their economies. In that period, the US's trade balance was favourable to the extent of \$140bn, but in 1971 it began to show negative yearly figures, starting with \$2.3bn in that year and growing to \$26.7bn in 1977. In 1960, the US GDP was 40% of the world's; in 1990 it was less than 25%. In 1960, the US exported goods to the value of 133% of those it imported, in 1970 the figure as 110% and the ratio has been in free fall since then, reaching 90% in 1980 and 85% in 1981.

The US at first tried to weaken its allies; Nixon

and Kissinger unilaterally broke the Bretton Woods accord by unlinking the dollar from the gold price and unleashing inflation devaluing the dollars held by the allies: they also placed a duty of 10% on all imports. Further, through their allies in OPEC, they forced up the price of oil to place additional production costs on their "friends", with the side-effect of a flood of dollars into the US treasury. These dollars were used to finance loans to the peripheral countries with the aim of keeping their consumption directed towards the US and of draining value from those countries in the form of interest.

Although this strategy succeeded in offloading the US's crisis onto Western Europe and Japan, in the long term the remedy worsened the disease. As well as causing a vast process of restructuring (aided by microelectronics) to be unleashed in Europe and Japan, it caused demand to fall with average world wages (which were eroded by inflation) and with the astronomical growth in the periphery's debt burdens. This contraction required a new strategy.

The Reagan "Revolution"

The US realised that it could not continue to dominate the world on the basis of the everlasting expansion of internal and international demand for industrial goods at a time when the European countries and Japan were surpassing its competitiveness. It was necessary to rely more on its military or financial dominance. With the election of Reagan a new strategy took concrete form. By engaging in spectacular battles with the working class, the old structure of industrial relations was dismantled, wages were pushed down and social benefits slashed or abolished. The resultant drop in internal demand caused imports to drop and, moreover, strengthened the financial means at the disposal of the multinationals and the banking system. But the lynch-pin of the Reagan revolution was the use of high interest rates to drain wealth to the US.

Because the dollar is the default international means of exchange, although high interest rates meant the US had to pay more on its debt, it also received more interest from the peripheral countries which had taken loans from it. Moreover, the high interest rates caused a flow into the cash boxes of the treasury and the US debt, which was \$1trillion in 1977 (after 201 years of US existence), grew to \$4 trillion in 1992 (after a further 12 years of existence). Although a large proportion of this debt was used to restructure strategic industries (the military and high technology production - in only 5 years, \$1.5 trillion was spent on arms!), the rest, more exposed to international competition, suffered further contraction as the US passed from the expansion of profits through the expansions of industrial production to that through the expansion of financial revenue and the progressive impoverishment of the working class. The US wanted to favour an international division of labour in which the older, less profitable industries would be assigned to areas with low wages, and Western Europe and Japan would share with it technologically more advanced production. The US would continue to dominate through its military, financial and technical and scientific supremacy, dictating production over three quarters of the planet. Until 1985 this seemed to be working. Despite a real economy bumping along the bottom, the Dow Jones reached ever greater highs - but the real economy still counts for something.

The Overthrow of Yalta

The new US strategy meant that the USSR could not be allowed to intervene in any vital area. To test Russian reactions, the US engaged in actions which were both spectacular and provocative, from Grenada to Libya. The USSR showed itself to be incapable of doing anything while it was suffering from its share of the crisis. But, at the

same time as the US was pushing at the limits of Yalta, this treaty constrained its allies to accept the US's strategy. The collapse of the USSR changed all this.

The Crisis of Reaganomics

From 1985 the negative side of the high interest rates began to be perceived in the US. The US was forced to concede ground to Japan and Europe in high technology as well as elsewhere, as the high cost of money made itself felt. The deficit in the trade balance increased between 1984 and 1989 from \$100bn to \$120bn while Germany overtook Japan with a surplus of \$80bn. Japan in this period penetrated the US to the extent of controlling 30% of the US car industry. Moreover, Japan had invested \$549bn in an economy half the size of the US's, while the latter could only generate \$513bn. And, even worse, the parasitism of the financial system was becoming evident in its strangling real production as this groaned under the weight of debt, both in the US and in its debtor countries. The latter literally could not pay the interest which required that the debts be rescheduled.

German Capital's Revenge

All this meant that interest rates had to fall; between 1989 and 1992, they were reduced 21 times and almost became equal to zero in real terms. But this meant that government bonds became less attractive and left the German government free to compete with the US to obtain loans to be reinvested in ex-East Germany and to pay for its investment in the USSR. With its high interest policies, Germany was not able to drain capital from all over the world, in open competition with the US. One of the pillars of US world domination had been put up for discussion.

The New World Order

The only response the US could make to the German challenge was to ensure that the capital which circulated around oil production came under its control (seeing that it could not put up interest rates without ruining its own economy). This it did with its victory in the Gulf.

But this victory only drives home the point that its military power is the only unchallenged pillar of its world domination. This means that the present state of affairs with one superpower should be perpetuated by a constructive attitude and sufficient military force to dissuade any nation or group of nations from challenging the supremacy of the US, as Paul Wolfowitz, the Undersecretary of Defense put it just before the Gulf War. This means that the construction of a new bloc capable of standing up to the US must be avoided, as must the reconstitution of the Russian bloc, as "Russia remains the only power on Earth which can destroy the US."

Perspectives

If the US succeeds in preventing Germany and Japan from developing their roles even on a regional basis, then it will remain as the only superpower. This will enable it to maintain the present financial system - however, this system is only able to deaden the effects of the structural contradictions of the US, not overcome them. At most, the national debt will be slightly reduced and the US productive base given a few breathing spaces.

On a world scale, the nonindustrial regions will continue to be ruined, and the rest will be progressively impoverished. The tiny island of relative well-being will shrink further and unemployment, low pay and super-exploitation will penetrate deeper into its interior. On the other hand, if the US makes plans to prevent the emergence of an alternative political and military bloc, it is a clear sign that it fears this might

happen.

And there certainly exist the objective conditions for its occurrence. After its unification, Germany constitutes a market with 80 million inhabitants, with a further 50 million in the area under the influence of the Deutschmark. Taking account of Germany's position in the EC and its investments, Japan too could constitute part of the core of such an alternative bloc. Its stand against the US's attempts (motivated by Japan's trade surplus of \$60 billion) to make it take largely unwanted American goods while maintaining its own trade barriers against Japan show Japan's growing assertiveness in political terms, and it is shifting an increasing proportion of its production to the Pacific basin (3% in 1985, 5.6% in 1992). It seems likely that the Japanese bourgeoisie realise that this production may require military protection in the future! Among the many uncertainties in today's world, there are two big unknowns.

The first is the precise shape of the hidden interconnections between the various factions of the bourgeoisie. These do not necessarily follow national boundaries, so that, for example, in London there will be segments of the bourgeoisie which have special connections with Europe and those with links with the US (Britain is still the largest foreign investor in the US and over half of US trade with Europe is with Britain). For the present, Britain acts as a kind of US fifth column in Europe - it was Britain which ensured that the Maastricht Treaty guarantees that any future EC military body will be linked to NATO and so to the US. In the event of Germany/EC becoming the heart of an alternative bloc, Britain will no longer be able to keep a foot in both camps, but will have to choose. What its choice will be, will depend on the relative strengths of the pro-European and pro-American factions and their development between now and then. This cannot be predicted except by crystal ball gazers. And there are many such questions.

The second unknown is the fate of Russia. Although it is still a great military power, military power without economic strength is a hollow reed. Easy victories are possible, but long conflicts are not. And the Russian economy is still in the grip of chaos. On top of that, there is a vicious political struggle which is still developing. Russia could be the vital element which makes a new bloc viable, or it might be destined to disintegrate. Its present intervention in ex-Yugoslavia may well be designed to convince potential bloc partners of the advantages of having Russia on your side - and that it is worth paying for these advantages in advance, in the form of investments and aid. However, some things are certain: capitalism will find no solution to its crisis outside of generalised war; in the absence of the proletarian solution, world revolution, conditions for the vast majority of humanity will continue to get worse, as the bourgeoisie tries to solve its problems at the expense of wages and jobs; and that the absence of generalised war is not the absence of war.

EDL

Based on Giorgio Paolucci's article *Gli Stati Uniti e il dominio del Mondo* in **Prometeo** no 6, Vth series.

Internationalist Communist Review 12 has been issued and contains articles on:

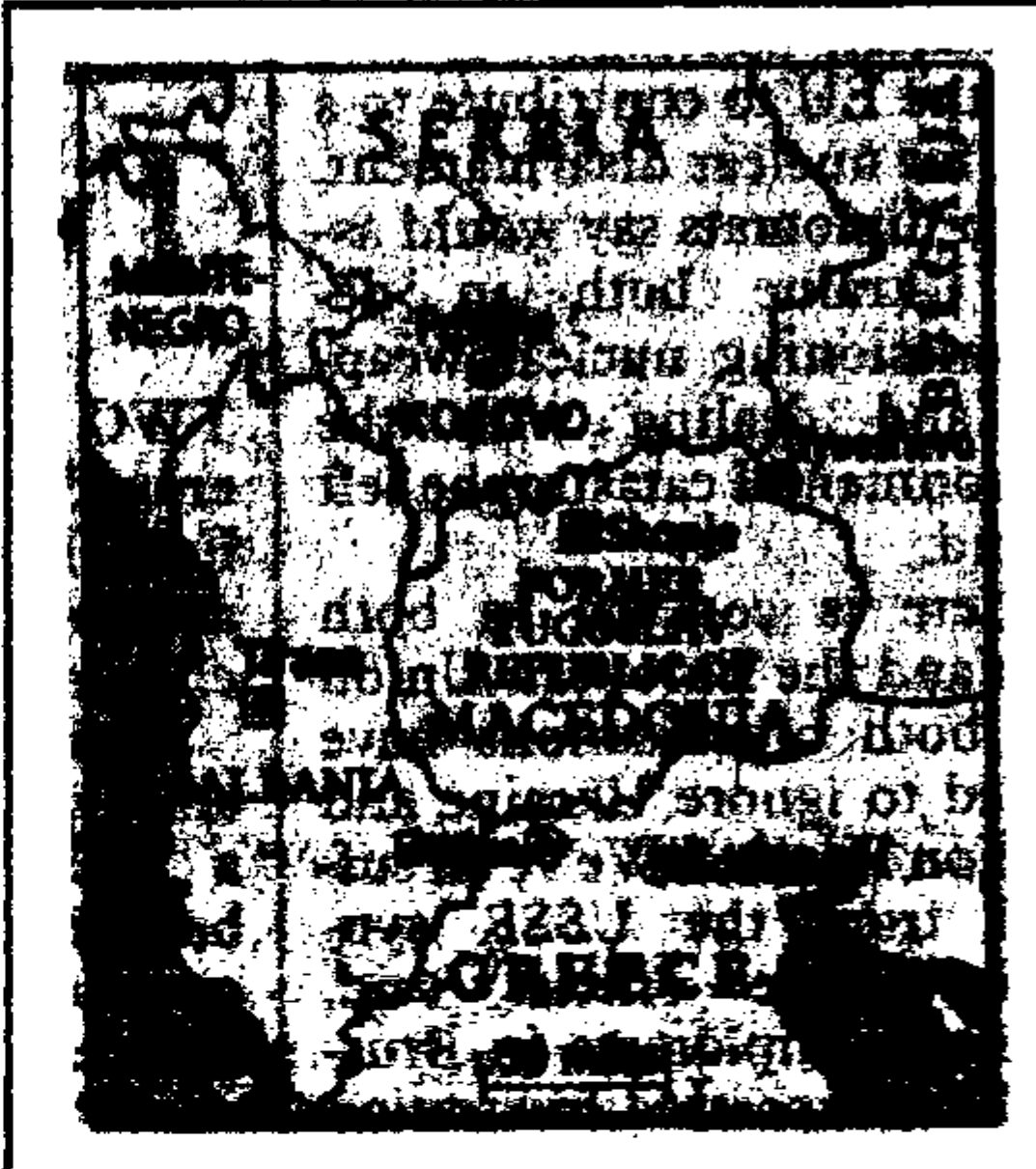
The Nature of the Working Class today
The Rise of Hitler and Anti-Fascism
The History of the Italian Left
Imperialist War in Spain 1936-9

£1.50 from the group address (which can be found on page 7).

Imperialism's re-emerging alliances mean war and terror

During February the imperialist machinations in the Balkans moved onto a new level. Within the space of a few weeks Russian troops appeared in Bosnia, US fighters flying from Italian bases had shot down warplanes over Bosnia while the deal around Sarajevo had provided the impetus for the Bosnian, Croat and Serb gangs to reorganise militarily in time for new offensives in the spring.

On top of all this the Greek government further stirred the pot and prepared for a new phase in the war by increasing their pressure on the "Former Yugoslav Republic of Macedonia". The Greeks have their own local agenda which keeps them in the NATO network but particularly aligns them with Serbia for both historical and conjunctural reasons (both want to carve up the ill-starred Macedonian republic, they also share a common agenda in opposing at least two of the other local national regimes and those who look towards them - Albania and Turkey).



Even the talk of humanitarianism from the imperialist hypocrites became more muted as they openly talked about "effective" military intervention and invited Russia to re-enter the big power club. This imperialist march towards another major war in one of the traditional European battlegrounds is neither surprising nor accidental. Such moves have been near the top of the agenda ever since the "balance of terror" between the Russian and American bloc collapsed when the Stalinist empire imploded.

New World Order and Old World Alliances

Revolutionary Marxists have described the phase of decadent capitalism as a period of wars and revolutions. For forty years during the Cold War the European map was stabilised and the imperialist blocs fought their proxy wars elsewhere. The collapse of the Stalinist bloc opened up the way for the surviving imperialisms to start a new scramble for power. As part of that process the "common front" which had united separate imperialist interests (USA, Britain, Germany, Japan, France etc.) split apart. The reality of the New World Order has been the re-emergence of tentative alliances which have all the hallmarks of those alliances which united the various great powers into opposing camps right from the very birth of modern imperialism. These alliances are not yet fixed as the various state machines are buffeted by a matrix of, sometimes conflicting, tactical and strategic interests. That lack of permanence in the emerging alliances, however, offers no comfort to those who try to deny that imperialism's New World Order really means increased armed inter-imperialist rivalry. History shows that modern imperialist alliances, in

common with earlier formations, will shift and evolve with erstwhile partners withdrawing or even switching to other camps. For example, the Italian ruling class had been allied with Germany and Austria-Hungary for 33 years when it allied itself with Anglo-French Imperialism in 1915 in the hopes of making territorial gains from Germany's Austro-Hungarian allies. By 1940 the evident possibility of gaining territory and markets in both Europe and Africa was enough encouragement for Italy to enter the second imperialist bloodbath in the opposing camp. Even at this early stage in the new imperialist line-ups it has been possible to discern distinct patterns emerging. The USA remains far and away the most powerful economic and military power on the planet. It has already secured its own economic backyard via the North American Free Trade Agreement (see *Workers' Voice* 63) although the greater number of competing interests in the GATT round has not yet allowed it total victory in that forum. Internationally its differences with Japan, its main rival for world trade, have become increasingly sharp. Bitter words and actual and threatened trade restrictions on both sides point to even sharper future conflicts. The implementation of the Super 301 trade penalties on Japan by the US indicate that the issue is becoming more serious by the day. The ghosts of the 1920s and 1930s can already be detected as the Pacific basin again emerges as an area of economic rivalry and the imperialists compete to penetrate the reopened Chinese market.

Across the globe the US government has been prepared to deploy troops in increasingly precarious situations in order to prove its ability to impose a "Pax Americana". Whether under the guise of the UN in Somalia or NATO in ex-Yugoslavia the US military has shown its

two World Wars. Although the French still express a degree of independence, the same cannot be said of Britain who appear on the international stage as the lapdog of successive US administrations.

Boris, the Bear and the Balkans

If France's position in the US-dominated alliance is not yet assured, the Americans and their British runners are pulling out all the stops to enmesh Russia. With touching transparency Major appears in Moscow, Russian troops appear in Bosnia and a fortnight later when Major appears in Washington, US planes start shooting down aircraft despite dozens and probably hundreds of previous incursions into the no-fly zone.

The presence of Russian army units in Bosnia is concrete proof of the American's wish to see Russia reappear as a major (albeit economically crippled) military power. That desire also overlaps with a desire, increasingly forlorn, to prop up Yeltsin's tottering regime. The foreign adventure is one of the few diversions that Yeltsin can offer at home while mass impoverishment becomes endemic and his opponents both in Parliament and elsewhere in the Stalinist-Nationalist alliance prepare to replace him. A glance at a map shows how Yeltsin's Balkan adventure is entirely part of America's New World Order rather than an independent action by the fragmented Russian ruling class.

Until February Russia's military influence in the Balkans had been severely constrained. Fifty years ago, at Yalta, Stalin himself had signed Greece over to the Anglo-American bloc, Tito had then wrenched Yugoslavia out of Stalin's direct control and Albania had broken with Russia when the Chinese Stalinists expressed their independence from Moscow. Even Ceausescu's Romanian state-capitalist clique were sufficiently independent from Brezhnev and company not to take part in the 1968 invasion of Czechoslovakia. This left Bulgaria as the only

firm Balkan base for Moscow and that country's rulers also broke away when the Stalinised Soviet empire collapsed. It's therefore more than a touch ironic that US imperialism has cordially invited Yeltsin to land soldiers in a part of the Balkans which his Stalinist and even Czarist predecessors could only attempt to dominate by diplomacy or trade.

Britain's role

Major, as has been mentioned, was clearly entrusted to do a deal with Yeltsin on behalf of the US godfathers. Nor was it coincidental that the Foreign Secretary, Hurd, was in Greece when the first fighters were shot down. To complete a grisly trio the British General Rose (a former leader of the murderous SAS) is now entrenched as the commander of the UN land forces in Bosnia.

Britain's current position as the US's most reliable European ally is plain to see. It will become more apparent if different positions, particularly a pro-German lobby, begin to assert

themselves in either the European Union or NATO. It is equally clear that the willingness to be part of the US imperialist alliance in Bosnia and elsewhere is shared by all the political parties. Ex-Special Boat Service (navy arm of the SAS) Officer Ashdown, of the Liberal Democrats has spent many months urging Britain to take part in armed actions in ex-Yugoslavia. Within hours of the jets being shot down, Labour's John Smith expressed his total support. During the same evening Lord David Owen was on BBC Radio urging the allies to give the Russians an even bigger role in the emerging alliance.

Tragedy or Farce

As the old alliances are conjured back into existence it is worth remembering the writings of Marx who quoted Hegel to the effect that

... all facts and personages of great importance in world history occur, as it were, twice. He forgot to add: the first time as tragedy, the second as farce.

(The Eighteenth Brumaire of Louis Napoleon)

Already the farcical claims of the imperialist ideologues about their New World Order have been baptised in the blood of the workers of ex-Yugoslavia. The respective imperialisms are, as yet, "merely" reforging their alliances and competing to establish their domination in the Balkans. They are not yet ready for a third full-scale imperialist war - but each fresh atrocity must be a warning to workers everywhere that the warring capitalist gangs (whether sponsored by the big imperialisms or their local client warlords) will launch more and bigger massacres as they perfect their war machines and economic-military alliances. **KT**



Anti-war demonstration in Sarajevo, July 1992. Even then the Bosnians were being treated as pawns in an imperialist power game

No Amnesty for Russia's Crisis

continued from the back page

workers, particularly in the industrial region of Donbass, in response to the same kind of deprivations as their comrades in Russia. In the present corrosive and divisive climate of rival nationalisms and ethnic loyalties what's needed is a working class political organisation with a clear programme spelling out the unity of interest between the workers of the old Soviet empire and ultimately with the rest of the world's working class. As we have said before, after two generations of believing that Stalinism equals communism it is not easy to see how such a political force will emerge. It certainly will not emerge spontaneously from the current economic struggles. It is just possible though that these kind of confrontations, particularly the big battles over industrial shutdowns which lie ahead, will provide the basis for a re-examination of the lessons of the past by working class militants whose political ancestors once showed the rest of the world's working class how to begin to make a proletarian revolution.

ER

Why Does the Working Class Submit to Exploitation and Oppression?

The Question of Consciousness

Part 1

In the first part of this series we examine how the consciousness of the working class is formed and the general domination of the bourgeoisie over this consciousness. In the second we will examine how this domination may be broken and the consciousness required to found a new society can be generated.

Conditions of the Working Class

The conditions of the working class are sufficiently oppressive to produce violent resistance to the system to which they are subjected. Though living standards improved from the Second World War until the late 60's, since then there has been a steady deterioration, and ideals such as full employment and the 40 hour week have gone out of the window. Mass unemployment is now a permanent and undisputed feature of the capitalist system together with the widespread impoverishment and destitution which it brings in its wake. The real number of unemployed in the UK is approximately 4 million or 15%, while in the European Union it is 20 million. While the numbers of unemployed have risen their benefits have been cut. Unemployment benefit is today worth 23% less in real terms than in 1948, while welfare, health and education services deteriorate continually. In Britain some 8 million households now live below the EU poverty level. The devastating consequences of this show themselves in the beginnings of social breakdown through such things as homelessness, crime, violence, prostitution etc. For those in work wages have fallen by 10% in the last decade and the Low Pay Unit now estimates that 37% of UK workers are living below the Council of Europe's decency threshold. It should be remembered that Britain is one of the group of 7 most "industrialised" nations and conditions here are typical of those throughout the capitalist heartlands. Conditions within the countries on capitalism's periphery are far worse. Conditions of the working class are today worse than they have been at any time since the 30s. All the above is a direct consequence of the capitalist system of production and the position of the working class within it. Why does the working class submit to all this? Why does the working class not free itself from the exploitation and oppression which grinds it down? The answer is that the majority of the working class see their circumstances in particular, and capitalism in general as part of the natural order to which there is no alternative. To understand why this should be the case it is necessary to consider how ideas and consciousness are formed.

Consciousness

The ideas we have in our heads come from our experiences of the material world in which we live which we get by means of our senses. Human

beings construct all their knowledge, perception etc. from the world of sense. Ideas in particular and consciousness in general are derived from the material world and our lives in that world - our lives as they really are.

Consciousness can never be anything else than conscious existence, and the existence of men is their actual life-process....Life is not determined by consciousness, but consciousness by life.

(The German Ideology Marx)

While materialist philosophers of the capitalist class (Bourgeoisie) recognised that our ideas come from the real world through the senses they saw this as an individual process, a single individual in society, and further they saw this process as both a mechanical and a passive one. Marx was the first to understand two further important features of consciousness. Firstly consciousness, like language, is primarily a social, not an individual phenomenon. The real experience of life is a collective, or more accurately a class experience. The social conditions which generate consciousness are determined by history and consequently consciousness is a social and historical product. The consciousness of individuals within a given society differs according to the class from which they come and consciousness differs between societies because of different historical backgrounds.

The sum total of these relations of production constitutes the economic structure of society, the real foundationto which correspond definite forms of social consciousness... It is not the consciousness of men that determines their being, but, on the contrary, it is their social being that determines their consciousness."

(Preface to the Critique of Political Economy. Marx)

Secondly Marx recognised that perception is itself an objective activity. The raw material of experience is actively restructured by thought and transformed into consciousness which is projected back onto experience. Human beings do not passively receive sensations form a static material world. Consciousness arises through a relationship with processes taking place in the world and consciousness is formed through action and comprehension of that action. Human beings proves the truth of their thinking in practice.

Consciousness is an historical and social product, and it is mediated through the interaction of 'experience' with already existing consciousness and refined through practice and comprehension of that

practice. Revolutionary Perspectives No 21 Pg 16)

It is these factors which enable humanity to develop the consciousness to change social conditions despite the fact that this consciousness is a product of the very conditions against which it is in revolt.

Consciousness of the Working Class

The working class is a propertyless and exploited class, which produces collectively and which is constantly forced, through the contradictions of the capitalist economy, to struggle against the capitalist class. This is what makes the working class, the proletariat, unique in history. It has no form of property to defend. It does not simply become a ruling class. It is the negation of all class rule. The working class is a revolutionary class because in order to free itself it needs to overthrow private property and the bourgeoisie, and because, by virtue of its position within capitalist society, it has the ability to do this. The experiences which the working class gains in its struggles against the bourgeoisie define it and lead it to view itself as a class in itself - to achieve a sense of class identity which is a consciousness of itself as a class. This is a direct result of the struggles arising from the working class' position and exploitation within capitalist society. i.e. this results directly from the real life experience of the working class. The real meaning of these struggles, the understanding that the working class is a revolutionary class which can only free itself by establishing a new system of production, this consciousness, which we call class or communist consciousness, does not arise directly from the daily struggles of the workers. Such a consciousness results from an understanding of the wider historical implications of the class struggle and the nature of capitalist production and capitalist society itself. It is a consciousness which goes beyond that provided by the working class' immediate experience. In general the vast majority of the working class will not understand their experiences in this way. For the most part the experiences gained by the working class are interpreted and structured by the world view of the bourgeoisie. More precisely the consciousness of the working class is, in general, a bourgeois one. This is simply because the working class is a dominated class subject to the capitalist class in the intellectual sphere in the same way as it is subject in the physical sphere.

The ideas of the ruling class are in every epoch the ruling ideas, i.e. the class which is the ruling material force of society, is at the same time its ruling intellectual force. The class which has the means of material production at its disposal, has control at the same time over the means of mental production, so that thereby, generally

speaking, the ideas of those who lack the means of mental production are subject to it. The ruling ideas are nothing more than the ideal expression of the dominant material relationships, the dominant material relationships grasped as ideas; hence of the relationships which make the one class the ruling one, therefore, the ideas of its dominance.

(The German Ideology Marx)

This domination is achieved in many ways. The most obvious is, of course, the bourgeoisie's domination of the information and entertainment media which it uses with great skill to indoctrinate the working class with its interpretation of the world. Throughout the capitalist system, despite its failures, injustices and stupidity, is presented as an expression of the natural order of things, in short an expression of humanity's true (if bestial) nature. Any idea of changing the present world system is presented as a ridiculous dream which can only lead to an even worse world. The bourgeoisie controls education as well as other aspects of society. It is obvious that children are fed bourgeois understanding of all aspects of the world and society, in short bourgeois consciousness, from the moment they are aware of their external circumstances. In general, this is further reinforced the moment they enter formal education and maintained until the moment they leave it. The material domination of the bourgeoisie allows it to disguise important elements of the class' real position. It is able to split up the working class very effectively into supposedly separate groups. Workers are divided into employed/unemployed, employed/self-employed, manual/mental workers, one race as against another race, one nation as against another nation etc. These divisions are developed as they are required to undermine the workers sense of class identity. The domination of bourgeois ideology over the majority of the working class cannot be doubted. Indeed any serious challenge to the domination is only possible when the contradictions of capitalism force the working class to struggle against bourgeoisie for their own interests. It is only at such times that the workers "practice and comprehension of that practice" can allow the rejection of bourgeois ideology to start to take root.

CP

Unemployment Training

continued from page 7

worse the European governments have thought to follow the British model (particularly Kohl in Germany). The fact that the idea of a Europe where working conditions are relatively secure is now being abandoned only underlines just how desperate the capitalist crisis has become.

Yours

AD
for the CWO

Islam and Barbarism in North Africa

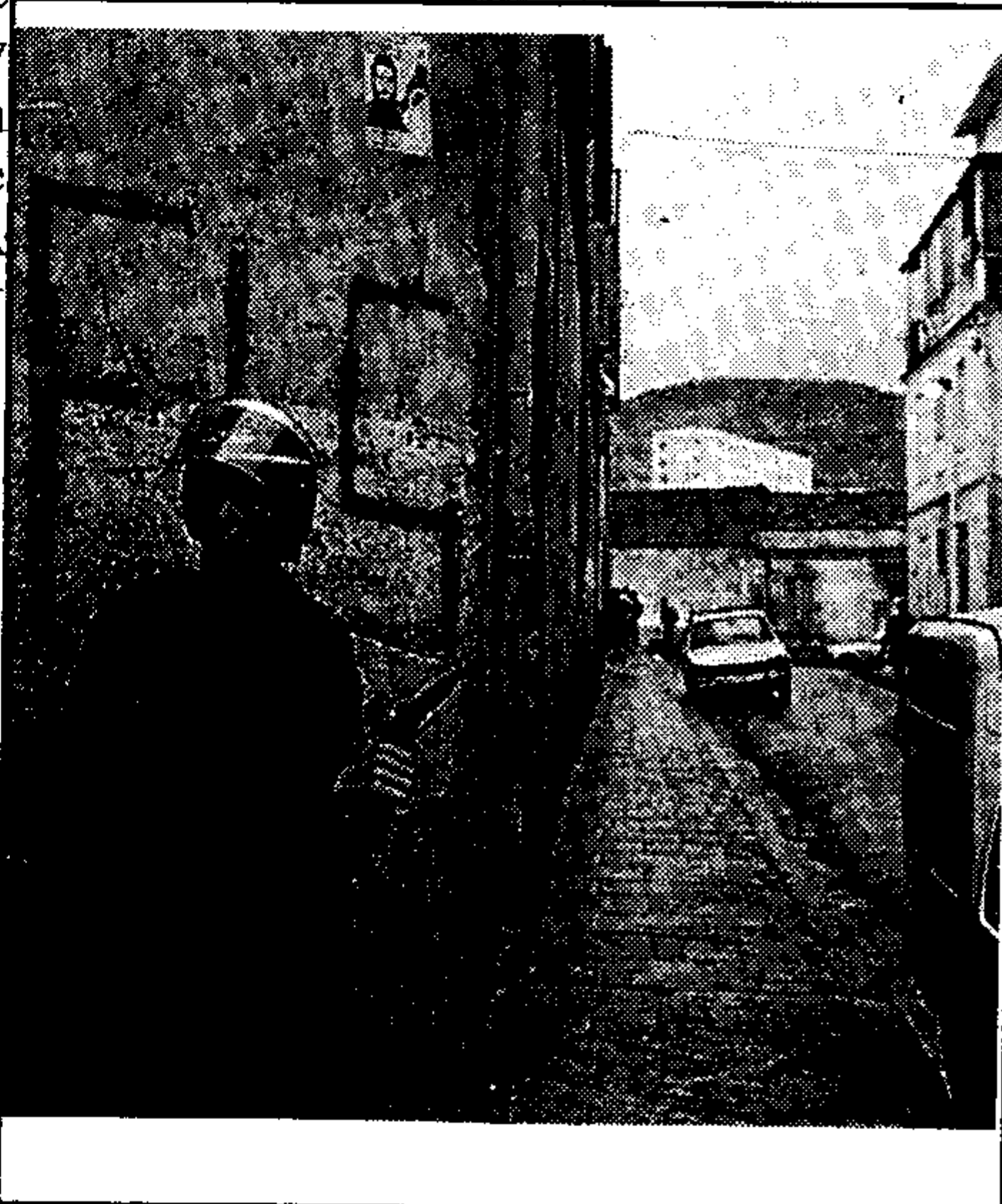
What is called 'fundamentalist' Islam continues to gain ground, and is establishing a greater presence, particularly in North Africa. Algeria's Islamic Salvation Front (FIS), Egypt's Gama'a al-Islamiya, are the better known, having hit the headlines by murdering foreigners, tourists and others. Turkey, Nato member and an EC hopeful, is now witnessing an Islamic political revival, as Refah (Welfare) does increasingly well in local elections. Sudan is prosecuting a new jihad against the Christians and Animists of the SPLA. Kurds are facing a mounting Islamic challenge within the autonomous area on the Iran-Iraq border, from the Islamic Movement.

This further wave of Islamic political activity is the result of the maturing global crisis. As the world economy continues in its recession those bourgeoisies on the fringes of Europe now face increasing difficulties in meeting the needs of holding power. They have had less leeway in managing their own problems, manifested in more severe political crises.

Now, it seems, the various factions of Islamic reaction are internationalising. They look to recruit and financially graze upon the diaspora, reaching into Europe and the West. Recruitment and influence, however weak or firm, takes place on a field of confusion left by corrupt pro-western bourgeoisies as they fail to deal with the inroads made by the world crisis. The Islamists tar anything smacking of westernness with the same brush - social democracy, communism, state capitalism, liberalism - all haram (forbidden), the seed of the kafr (unbeliever).

The Bearded Ones

Hocine Ait Ahmad, head of FFS (Front of Socialist Forces), an exile but one of the original 'historic nine' who began the war against the French, described them accurately:



Algerian soldier on guard against the FIS

They are a true mafia, secretive and perfidious - a veritable laboratory of conspiracies. There is nothing they will not do to hold on to power.

This mafia has its own history of assassination. Mohamed Boudiaf, another of the 'historic nine', was brought back from exile to add legitimacy to the regime. They killed him when he began to gain popularity and when he appeared likely to open up the books, looking for an anti-corruption drive. Kasdi Merbah, one of their own, was killed because he became a reconciler, looking for a truce with the Islamists - eradication for reconciliation. It is well known that the army has infiltrated the GIA in an attempt to discredit it through excess, thus many excesses may be the direct result of their action rather than any others.

Theft from above

Those who, breaking with socialism, now call for economic liberalisation do so because they have already made their fortune from the corruptions of the public sector. Those who defend socialism are not socialists but relative newcomers who still have to fill their bellies.

Opposition politician.

The regime has directly pocketed money to the value of the national debt - around \$24bn. Algeria's oil and gas revenues are completely used up by the debt-servicing caused by that corruption, \$10bn., without having any foreign

exchange left to import basic necessities. Algeria in no way feeds itself, it imports most of its food needs, similarly medicines, raw materials and much needed replacement equipment. This whole situation admittedly was exacerbated by the fall in oil prices but was made ludicrous by the regime borrowing huge amounts for the massive expansion of the gas industry.

Like so much of the so-called developing world at the periphery of capitalism, the country is spiralling into barbarism, with 4m unemployed, huge bread queues, a critical housing shortage and so on. The regime, tarred with western "socialism", no matter how arabic, has sought only a more and more violent polarisation of society to cover its past, present and future kleptomania.

Liberation or Accommodation

The Islamists call this civil war the second liberation war. The poor, the lumpenised are easy prey in the vacuum created by the confusions of the dictatorship. When they are presented with the manifest corruption of the regime, which identifies itself, at least in part, in western terms, and compare that to their own poverty and suffering, the familiar voice of the mosque offers up a familiar and simplistic set of answers.

This is a double harvest for the regime. In 1962 an Islamo-Arabist tack was taken. The FLN - National Liberation Front - took on the mantle of Arab socialism. They imported the classical arabic language and with its teachers came something equally foreign, fundamentalist Islam. But, as largely ex-colonial functionaries (normally officers of the French army), they came across as extensions of the imperialist West, which as self-servers they were. Their "socialism" was well laced with Nasserism and Ba'athism, or, in other words, Arab state capitalist nationalism. The FLN used to carry with it the UGTA, the union confederation organised as its own recuperation of the workers. That link has now been severed. The UGTA no longer parrots the regime in its calls for self-sacrifice and has adopted a sort of social democratic voice in its attempts to lead the workers. The Kabyles, sections of the workers, liberal middle classes and intellectuals look to Ahmad's FFS, as a modernist opposition to the FIS and the regime. They oppose both 'barrack-room socialism' and fundamentalism but they are merely liberal democrats of a European model. Ahmad is just another exile looking for power and purse strings.

FFS insist on the democratic inclusion of the FIS as realistic, similarly the regime has moved towards a form of realism. They have recognised their frailty - the IMF head, Camdessus, has visited to discuss a package of measures to deal with the economic problems - hence an accommodation with the FIS was seen as necessary. This move from eradication to reconciliation, notwithstanding the killing of the GIA leader, al-Afghani (so-called because of volunteering for the Afghan-Soviet war) and the failures of the reconciliation conference (noone turned up), has been forced by events.

Egypt and beyond

Mubarak and the farce of a party, the NDF (National Democratic Front, Nasser's party) have gone cap in hand again to the US, to gain more aid. Once the client of the USSR until its debts became too great, Egypt's corrupt bourgeoisie can only survive today as a client of the US. In the signing of the Camp David accord 15 years ago Egypt has received \$3 billions a year from the US whilst its reward for supporting the war against Iraq was to have half its foreign debt written off.

Meanwhile Gama'a continues its terrorism, shooting or bombing who or where it wills. The regime sits smugly and refuses comparison with Algeria but the recipe is nearly the same - widespread corruption and political vacuum exploited by Islamists. All that is missing is the same depth of economic crisis although even

that is on its way. In Egypt, though, the fear of the Islamists means no pretence is made of free elections in the future. In all of North Africa the working classes, urban and rural, have only these political choices - support corrupt bourgeois regimes which will keep them poor and exploited; support the Islamists and be poor, exploited and further mystified; or some sort of state capitalism masquerading as "socialism", either social democracy or Stalinism. Except for the former group of *Programma Comunista* which produced the paper *El Oumami* in Algeria there has been as yet no Marxist alternative. We should recall that this group, despite heroic resistance to the reactionary Algerian regime ended up by succumbing to nationalism in support of the PLO in 1981. This only underlines the difficulties of establishing a revolutionary current where so many reactionary forces can hide behind the anti-imperialist slogan. The fight against nationalism and Islamic fundamentalism cannot be avoided if the working class is to rediscover its own class nature as a class with a historic task.

Clastré.

BOOKSHOPS WHERE WORKERS VOICE CAN BE BOUGHT

BRIGHTON	Public House 21 Little Preston St Brighton
CORBY	Bookplace 1 Henley House Corporation St Corby
COVENTRY	Wedge Cooperative 13 High St Coventry
DERBY	Forum Bookshop 86 Abbey St Derby
EDINBURGH	International Newsagent 351 High St Edinburgh
GLASGOW	Clyde Books 19 Parnie St Glasgow
LANCASTER	Robinsons Newsagents Alexandra Square University of Lancaster Lancaster
LEICESTER	Blackthorn Books 74 High St Leicester LE1 5YP
LIVERPOOL	News from Nowhere 110 Bold Street Liverpool 1
LONDON	Bookmarks Seven Sisters Road Finsbury Park London N4 Compendium Books Camden High Street London NW1 The Economist Bookshop Clare Market London WC2 Index Books 28, Charlotte St W1
MANCHESTER	Frontline Books Newton St. Manchester
SHEFFIELD	Independent Bookshop Surrey St. Sheffield
SOUTHAMPTON	October Books 4 Onslow Road Southampton SO2 0JB

Please write to us if you have any difficulty obtaining *Workers' Voice* or any of our publications.

Algeria has been widely reported for the murders of foreigners, as groups such as Gamaat - the Armed Islamic Group (GIA) - wage war on kafrdom. What is taking place is a civil war, claiming already around 5000 lives, between different sections of the bourgeoisie. The GIA delighting in *egorgement spectaculaire* (throatcutting), particularly anti-Islamic intellectuals, soldiers, judges, officials. All of this the GIA call revenge "on crusaders and Jews...spies of the unbelievers in the land of Islam." MIA - the Armed Islamic Movement - a larger, more traditional guerrilla movement, have declared a *fatwa* (edict), that all agents of the regime deserve to die.

Alongside such groups are the electoralist FIS, the mainstream group of *les barbus* (the bearded ones), a combination of moderate Islamists and more extremely reactionary 'clerical fascists'. Here is a new reactionary bourgeoisie in the making. A boss class not looking to any significant change in alignment simply a new ideological underpinning without an altered class basis for the regime.

The Eradicators

The military dictatorship led by General Lamin Zeroual, installed in 1992 when the FIS appeared certain to win the multi-party elections, are known generally as *les eradicateurs* (the eradicators), because they would destroy the 'bearded ones'. The dictatorship, though, is not united, there are within their ranks 'the reconcilers', who seek a less drastically violent course against the Islamists. At the core of the dictatorship lie those known as 'the deciders', an anonymous group where the 'eradicators' have held sway, but the spirit of the 'reconcilers' is gaining ground as eradication seems less likely to succeed.

A Bankrupt British State Plans to Increase Homelessness

The British Government is planning to increase the numbers of people sleeping on the streets. A recent Government consultation paper *Access to Local Authority and Housing Association Tenancies* sets out a series of proposals which will have the effect of severely reducing the already limited protection available to the homeless.

At the moment local authorities have the obligation to provide accommodation for certain groups who find themselves homeless. The main groups amongst these are people with children, pregnant women, and those considered to be "vulnerable" due to age or disability. Those who have become homeless "unintentionally" are entitled to a council tenancy or to be nominated to a housing association. Even so, in many areas people can find themselves in squalid bed and breakfast accommodation for months before being offered more permanent housing. People who do not fall within the priority "need" groups get nothing at all, they are left to sleep on the streets or rely on night shelters provided by charities.

The overall picture is grim in the extreme, some 150,000 "households" are officially recognised as homeless each year, 50,000 are in temporary accommodation, and the housing pressure group Shelter estimates the real level of homelessness to be in the region of 1.5 million.

The main aspect of the proposed changes is that those who are at present accepted as "priority need homeless" will no longer be entitled to permanent accommodation. A local council will only have to provide accommodation for a limited period. This limited period is not defined. It could mean two weeks bed and breakfast accommodation or a 6 month tenancy. Either way once this period comes to an end people could find themselves homeless again and moved on somewhere else for a further

temporary period. So homeless people can expect to be periodically shunted around with all the disorientation and stress this entails. What is even worse is that if, during your initial period of temporary accommodation, you do not find permanent housing you could be regarded as not having actively sought accommodation and the council would have no further liability once the initial period came to an end. In other words if you don't get back onto your own feet once you've been kicked in the bollocks you'll be kicked in the head.

Being homeless does not literally mean that you have no roof over your head. At the present time you can be regarded as homeless if you have no permanent accommodation of your own. A particularly vicious provision of the Government's proposals is to restrict the definition of homeless to those "who have no accommodation of any sort available" so that a person who has "any form of accommodation available however temporary the tenure" will not qualify for assistance. The effect of this is to present anyone who has been staying with family or friends, or even in a hostel or women's refuge from qualifying for accommodation. In practice this could mean that people will be forced into permanent acceptance of intolerable conditions or, alternatively, people will just refuse to help a homeless relative or friend because once they are there they will not be able to leave.

This provision also disguises a hidden agenda against single parents who are perhaps the most likely group to be staying with family or friends. The proposals are informed by moralistic assessments about who is entitled to state help. The paper states clearly that such miserable state assistance as is available

should be primarily directed towards married couples seeking a good home in which to start a family.

So beware all you social deviants who don't conform to the nuclear family, you cost too much and you should not exist.

Under the present regime those accepted as unintentionally homeless and in priority need are entitled to a local authority or housing association tenancy. Under the new proposals councils will be encouraged to place people in private sector tenancies i.e. in the sector of the housing market most notorious for excessive rents, insecurity, harassment and disrepair. On the face of it this would seem to be inconsistent with a Government concerned about the cost of Housing Benefit. However subsidising slum landlords is still cheaper than building new social housing and moreover there are now Treasury proposals to cap Housing Benefit levels so that rents may not be paid in full. This is being presented as merely a sensible reform where previously well-paid professionals carry on living in expensive rented accommodation after being made redundant. However they represent a small proportion of claimants and the real victims will be those who are living in ordinary rented accommodation. Thus, in this particularly vicious pincer movement, the Government will be forcing the homeless into private rented accommodation which they will not be able to afford. This will then create rent arrears which will, in turn, lead to eviction.

The so-called rationale behind the new proposals is that currently the homeless are by-passing council waiting lists. Even within the Government's miserable logic this assumption is flawed as 59% of people presenting themselves as homeless are on council waiting lists. The real issue is that there is just not enough social housing available to satisfy the demand. There are 1.5 million applicants on the housing lists whilst only 19,000 council houses were built per year in the 1980s as compared with 111,000 per

year in the 1970s. The Government are also reducing the grant to Housing Associations for new building projects.

Not content with lowering wages and increasing unemployment the boss class are intent on destroying the 'social wage' by attacking welfare benefits and the provision of public housing. The housing crisis is a reflection of the general crisis of capitalism. At the same time there are 700,000 empty houses, millions of square feet of office space and 50% unemployment in the construction industry. There can be no better illustration than the housing crisis that capitalism and its market has no solutions to the problem of providing the basic essentials of food, clothing and shelter for everyone. Human wants are relatively simple. The means exist to satisfy them for everyone globally but the fetter of the capitalist market and its production for profit and not need are preventing humanity from achieving this object.

It is not simply a question of changing the Government. It is a question of changing the system. The opposition parties might bleat about the latest policies but they have no credible alternative. This is not surprising since they all exist for the same object - to bail out a capitalist state which, with a budget deficit of £50 billions, is in serious crisis. Almost twenty per cent of that is spent on Housing Benefit today. The truth of the matter is that capitalism stands at the end of another of its cycles of accumulation. Thus far the capitalist states have individually and collectively managed this crisis so that attacks on the working class have been against one section at a time. This is how they have managed to get away with the increase in misery without a social explosion. So far ...

PBD

Making the Working Class Pay for the Capitalist Crisis

continued from front page

class. The tax increases outlined in last years budget are only the start of a long series of attacks on the living standards of employed workers, and the revenue raised won't be spent solely on the welfare state to get it back to previous levels, but has to be used to help the capitalists get out of their own crisis. This is one reason why workers who find themselves unemployed after years and years of paying their NI contributions are only now entitled to six months worth of Unemployment Benefit, before going onto Income Support.

For those who are out of work now, the Government will be ruthless, the state can't do away with benefits all together for fear of social unrest, but draconian cuts are in the pipeline. Plans are already underway to replace Invalidity Benefit and Sickness Benefit with Incapacity Benefit. The point of this new benefit is to save money for a bankrupt state, and to do this they will make claimants take stricter medical tests from April 1995. The Independent states the reasons for this quite bluntly:

the changes are intended to cut the number of people claiming Invalidity and Sickness Benefit, which is paid to 1.6 million at a cost of £6.4 billion.

(Independent 17/02/94)

It was really only a matter of time before this happened. During the 1980's the Government, faced with growing unemployment, tried a variety of ways to massage the unemployment figures. "Unemployment" has now been officially re-defined 22 times, each a slightly more crafty way of reducing the total numbers. During the last few years, a practice emerged in the Employment Services Agency to recommend their "customers" (even misery is marketable under a decadent system!) transfer to Sickness Benefit rather than Unemployment Benefit. Like all executive agencies, the ESA was anxious to meet its clearance targets, i.e. in processing claims, but also in ways of getting people off its books. Referring the sick unemployed to claim Sickness Benefit was always a handy way of reducing official unemployment statistics. But now Sickness Benefit is too expensive, and workers will be

subjected to greater control and indignity to claim it. This is despite the fact that a recent Policy Studies Institute report found that there was no evidence of an increase in the number of people making false claims (as the Government argued) but that as

the labour market has tightened, disabled people have found it more difficult to get back into work.

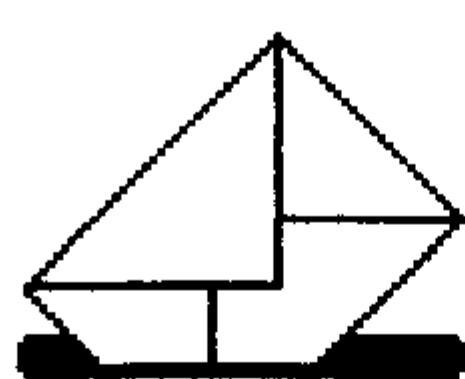
(Independent 17/02/94)

Unemployed workers have always been seen as a soft target by the Government, and the ideological attacks on them continue to precede cuts in their benefits. The "Back to Basics" campaign may be hypocritical, even causing amusement when Tory MPs are caught with their pants down, but it is just another example of the way the weakest section of our class are singled out and blamed for the mess created by capitalism. Unmarried mothers, and their "cost" to the state are one of the reasons given for the proposed changes in homeless legislation. A recent consultation paper, "Access to Local Authority and housing association tenancies"

proposes to end the present obligation on councils to provide permanent housing for those considered to be homeless and in priority need. In effect, the Government is admitting it cannot provide even a basic safety net against homelessness, and cannot provide for even the most basic of human needs. In addition to the cuts in housing association funding (see Workers Voice #68 and p.6 of this issue), Local Authorities will face cuts in funding of 25% next year.

The main change now is that the Tories have been forced to do something they never really wanted to do; increase direct taxation. This alone underlines how desperate the crisis of the capitalist state is. With last years paltry pay increases, especially in the public sector, tax increases mean real wage cuts, and this could provide the spark to end the passivity of a large section of the working class. Our class is under attack in a way unprecedented since the Second World War. Capitalism is not our system, yet we'll be forced to pay for its failure until either we are destroyed or we destroy it. There is today a greater need than ever for workers to be organised politically if we are to respond decisively to a system of ever-increasing misery for millions. RT

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.

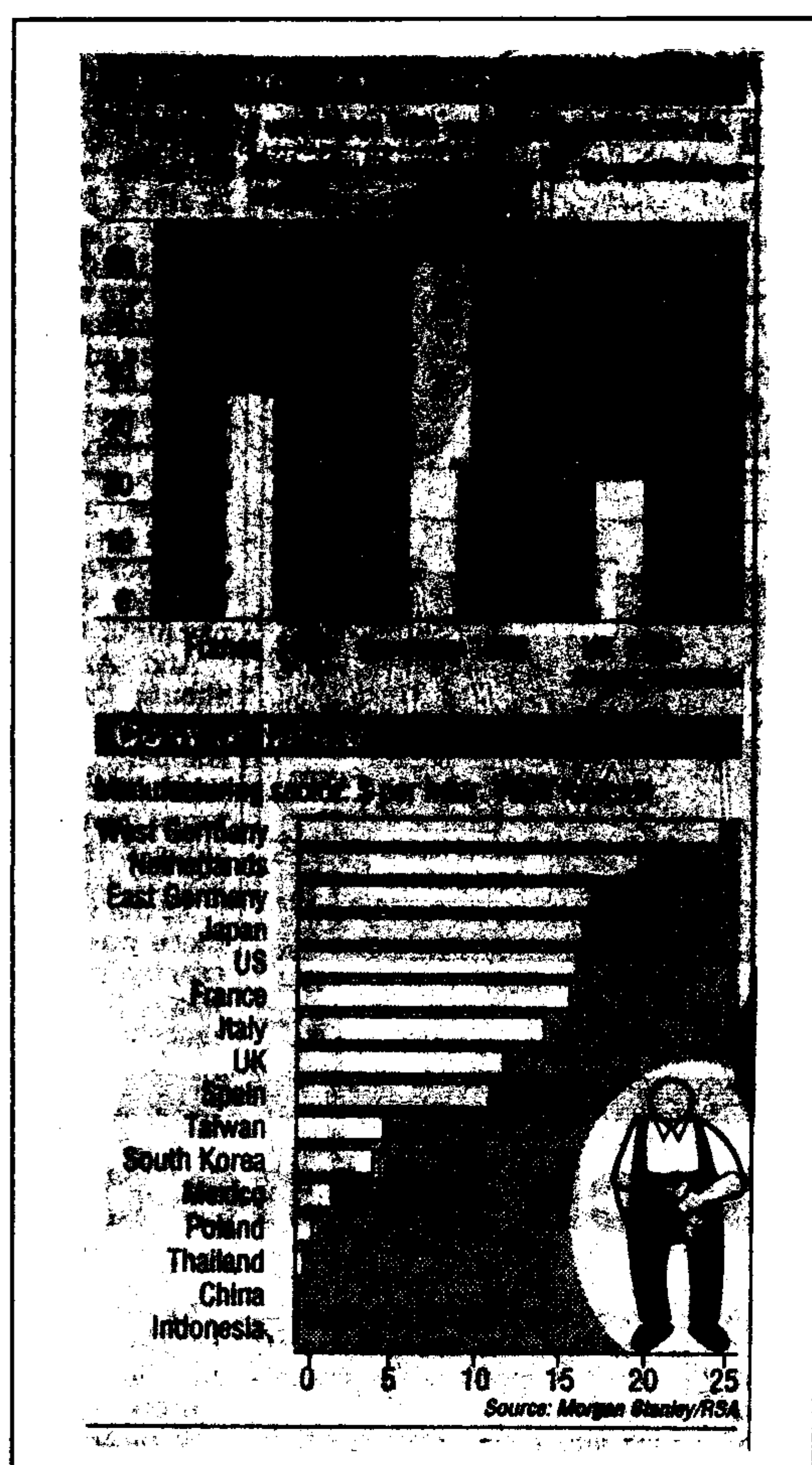
The farce of "training for the unemployed"

Dear Workers' Voice

I have read with interest much of your recent printed matter, particularly the recent article by 'Mauro' in *Internationalist Communist Review* 12. I am someone on the receiving end of the recent Tory training programmes. Forty years old, a well-educated worker, capitalism has only been able to offer me 12 years of work out of a 20-odd year working life. When work has been available it has generally been low-paid and precarious. Otherwise the powers-that-be can only offer one training programme after another. What are they like though? Far from being the declared firm commitment to serious and meaningful training these programmes show precisely the intentions of British capital, how they intend to deal with crisis.

1. For an extra £6 per week they achieve the trick of removing at least 200,000 per year from the unemployed figures.

2. They offer 1 year, essentially low-tech, low intensity courses, whereas Germany offers 3 year, hi-tech, high intensity courses. It is obvious that British capital sees its future in creating and maintaining a flexible pool of essentially low-skilled or de-skilled workers. Germany, it seems, can still think in terms of training a highly skilled workforce - perhaps because it has a continuous supply of those it can employ at low wages in its most menial tasks - the Turks, East Europeans, Ossis, Asian and African refugees.



British capital has always tended to be in advance of each new movement within capitalism, 'restructuring' seems to be a case in point. It seems that I, and those like me, are just some of the victims of the process. Those sacrificed to poverty, precariousness and worse in the drive of capital to stabilise itself.

3. Those on training are offered up, for around £40 per week, to employers as cheap labour. Amongst that pool of cheap labour there are both the experienced, well-trained workers who, by being forced into such situations, are being trained to accept lower wages, diminished circumstances and so on. There are also those who have been doomed to the worst of this, the youth trainees, sometimes failed by the education

system, or rather tailored by an elitist, capital-driven education system to fit a capitalism which has nothing to offer but drudgery.

4. At its most superficial level this Tory driven culture of training offers up easy pickings for many capitalists. These training schemes may well be properly financed, the jobs for the boys and the profits taken mean that the "service" provided is essentially third or fourth rate. Sub-standard equipment is used where it is provided at all. Teaching standards are laughably poor. Where this fails the entrepreneur can always fall back on tried and tested fail-safe FRAUD - of which there is plenty.

I keep waiting and hoping that a response will come from those being put through these hoops. There is a widespread dissatisfaction with it all but it has not been articulated into anything more than a grumbling endurance. I look forward to workers questioning more, taking the opportunity to combine wherever possible, no matter how isolated, and then to oppose what keeps them from fulfilling their historic needs.

Yours,

A. Juggler

Our Reply

Dear Comrade

Thanks for your letter which are publishing in Workers' Voice in the hope that it will strike a chord with others in the same situation. The issue you raise is also born out by the statistics from the Royal Society of Arts recent report into the state of industry in Britain (see graphs). As you clearly recognise the problem cannot be solved inside capitalism (a minor and perhaps pedantic criticism of your letter would be that it refers to Tory schemes as if Labour might have an alternative - we know you emphatically reject this). The problem is that everyone who is long-term unemployed experiences these humiliating and patronising training schemes as an individual. The state has realised after 15 years of mass unemployment that it has little to fear from those on the dole acting collectively. Its worst moment was when the young unemployed rioted in the early 1980s. However since youth unemployment has officially risen to 20% it is clear that they recognise that such spontaneous riots may be spectacular but don't equate to a leap in consciousness which could present a long-term danger to the system.

This however need not remain the case. No capitalist party today has a solution and those solutions they are discussing are of a desperate nature such as a compulsory programme of civilian national service. Recently the *Financial Times* blandly told its readers of a possible step towards such a scheme.

As a halfway measure, ministers might consider withdrawing benefit from any unemployed person under 25 years who refuses to join an approved project in the voluntary sector, such as those teaching entrepreneurship on deprived housing estates.
(18.1.94)

This would be yet another way towards cutting wages and if the capitalist were forced to try it, it could open up a possible way in which the fight for a living wage would unite employed and unemployed in a way that it has not in the recent past. We would certainly be trying to fight it in this way.

Finally we don't quite agree that Britain has led the way into restructuring. What it has led the way into (in common with the United States) is the return of the low-wage economy to the metropolitan countries. And as the crisis has got

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 Internazionalista (Battaglia Comunista)**.

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!

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 \$9 out of the first \$10 for doing this).

Addresses for all correspondence

CWO
BM Box CWO, London WC1N 3XX.

Il Partito Comunista Internazionalista,
CP 1753, 20101 Milano, Italy.

Public Meetings

London

Should Socialists Contest Capitalist Elections?

Debate with the Socialist Party

Friday, 6th May 8pm

Chiswick Town Hall, Heathfield Terr. W4

Appeal to Readers

Twenty 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.

Publications

The Platform of the International Bureau for the Revolutionary Party

This is now available, in an updated version in English, and will shortly be translated into French, Spanish, Italian, German and Farsi. Each price £1.

Internationalist Communist Review

is the central organs in English of the IBRP. Each individual issue is £1.50. Back issues are available. **ICR12** is the current issue and contains articles on:

The Nature of the Working Class today

The Rise of Hitler and Anti-Fascism

The History of the Italian Left

Imperialist War in Spain 1936-9

Revue Comunista

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 PCI (Italy)

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

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

Pamphlets

CWO Pamphlet No. 1

Economic Foundations of Capitalist Decadence £1

CWO Pamphlet No. 2

Russia 1917 £2

Meetings

Readers' Meetings

Sheffield

Please contact group address for details of April Meeting.

London

These will be held regularly in Conway Hall. Write to group address for details.

Birmingham

Meeting on Class Consciousness will be held on March 26th. Contact group address for venue.

Sheffield

Which Way to Socialist Revolution?

Debate with the Socialist Party

Thursday, May 26th 8pm.

Three Cranes Hotel, 74 Queen Street

Russia: No Amnesty Granted By the Economic Crisis

It's only a few months since Boris Yeltsin was using tanks and troops against his political opponents holed up in the Russian Parliament (White House). About 150 were killed and many others, including Khasbulatov, the Speaker in Parliament and Alexander Rutskoi, the Russian vice-President, were put in jail. Now Yeltsin has been forced to accept the amnesty granted them by the new Parliament elected under his own Constitution. It is a humiliating climbdown for this old Stalinist apparatchik since converted to the virtues of the 'free market' and who is now regarded by most Russians as little other than a toadie of US imperialism.

Despite his control over the media and adoption of flamboyant Western electioneering techniques, the election which was supposed to consolidate Yeltsin's power base by giving him democratic legitimacy and a majority in a supine parliament has only revealed the weakness of his position. To the surprise and horror of Western pundits a populist, ultra-nationalist maverick like Zhirinovskiy (Liberal Democratic Party) could rake in 25% of the votes. The majority of votes went to the combined forces of the old Communist Party, Agrarians and Women of Russia. Russia's Choice, the Party led by Yegor Gaidar, Yeltsin's right-hand man up until this election defeat, could only muster a miserable 15%. Standing for the full panoply of free market 'reforms' demanded by the government's US economic advisers: complete abolition of state subsidies both to industry (job losses) and on things like domestic fuel as well (more price rises), it was clear that the programme of Russia's Choice was a recipe for further hardship for the majority of the Russian population. Instead of being accepted as a necessary step to overcome the damage done by "60 years of Communist rule" its only appeal was to the new free market capitalists, the racketeers and 'entrepreneurs' with bank accounts abroad who have directly benefited from the collapse of the old centralised system and the enforced 'dollarisation' of the economy. That this came as a shock to Western political commentators only testifies to the strength of their own pro-Yeltsin propaganda. Russia is not alone in experiencing an upsurge of populist nationalism or a revival of the old Stalinist parties. Both are a response to the clear failure of the policy of 'shock therapy' to reverse Russia's economic collapse and the accompanying social disintegration.

But let's be clear. The struggle for power which is going on between the shrinking Yeltsin camp and his opponents of perpetually changing political shape has nothing whatsoever to do with the working class. The one positive aspect of the present sorry situation in Russia is that the working class for the most part have few illusions about the merits of democracy. There was only a 54% turnout for what the press here chose to call the "first democratic elections since 1917" and by all accounts the battle over the White House was watched by "ordinary Russians" much as a soap opera on t.v. and with about as much impact on their daily lives. This said, though, an attitude of cynicism and political indifferentism will not help workers to find a solution for themselves. The vying fractions of the Russian ruling class may have lost any illusions about being able to have full control of the economy and in general are prepared to accept that they are at the mercy of capital's economic laws whether or not they acknowledge the 'law of the market'. Yet so long as workers fail to move as a body to impose their own alternative the exploiting class has a certain amount of room for manoeuvre, even in the dire situation of Russian capital. Leaving aside the protection racketeers and get-rich-quick merchants who have done well for themselves from the 'free market', all the political fractions want to see a revitalised and restructured national economy capable of competing successfully on

the world market. Some, like Zhirinovskiy, haven't a clue how to do this. Most recognise the need for a fundamental renewal of industrial plant and infrastructure but can't see how to do

West but it's clear that many workers who were once ready to believe that after an initial period of pain they would benefit from a prosperous, consumer-oriented economy are no longer under such illusions. The most striking example is that of the miners. There was a time when a promise of a brighter future from Boris could get them to return to work when they went on strike against declining real wages and for the supply of simple basics like soap. Not so today. While Parliament was busy granting an amnesty to Yeltsin's enemies 80% of Russia's miners were on strike to protest at not being paid for 3 months. They are not the only ones. According to the *Financial Times* [2.2.94] workers for Gasprom (the state gas company) are on occasion obliged to go on strike to get their wages paid - a minus point for potential investors as the company comes up for privatisation! There must be many more cases like this that we don't hear about because the economic crisis in Russia has reached dire proportions.

The official rate of decline in industrial production for 1993 is 11%. This is an average, the rate in the consumer goods sector which is what directly affects working class living standards is worse with output at less than half of 1990 levels.

Wear and tear on machinery after twenty years of technical stagnation; multiplication of breakdowns, accidents, burst pipelines; damaged and worn-out roads and buildings, railway stock, the airline fleet, etc. : the list of wreckage is interminable. So too are the subsequent halts in production, in machine building, the shipyards, the chemical sector and building works. [Le Monde Diplomatique February, 1994]

This breakdown and paralysis of the industrial infrastructure is only part of the picture. The old social welfare system is also collapsing: creches, nursery schools, medical clinics, rented housing, once provided by individual factories, are disappearing with the industries themselves. Officially full-time unemployment is only 3% (3.8 million) and a further 7.8 million part-time is also admitted to. These figures are nowhere near reality but since the majority of unemployed - so far - are women who as usual 'don't really count' (despite their once crucial role in the workforce), this has not yet become an explosive issue. On top of all this an 18-20% monthly rate of inflation is steadily eating away at the real value of wages - apart from those privileged workers who are paid in dollars! The minimum wage is no longer index linked - this was at the behest of the IMF - and is in fact worthless, like most of the government's statistics. The sad truth is that the vast majority of the Russian population is living in abject and increasing poverty.

The Shape of Things to Come?

A bleak prospect faces Russian workers. For the majority things are getting worse, not better, and life has become a veritable struggle to survive. For them 'shock therapy' and the 'free market reforms' have been well and truly discredited which means that Boris Yeltsin is no longer a long-term credible option for Russian capital. Even the US is beginning to distance itself from Yeltsin. In January the new US adviser on Russian affairs, Trobe Talbott, spoke in favour of "less shock and more therapy" and went on to say that the US supports "reforms not personalities". At the last Group of Seven (G7) meeting of leading Western powers the Russians were urged to accelerate plans to set up a social security system as a cushion against the "social hardships of the transformation process" [*Guardian* 28.2.94] (Typically, though the West's own contribution via the World Bank is scheduled at a paltry \$500m to be taken from

the \$3bn 'privatisation and restructuring fund'.) There is more shock in store for Russian workers.

On the other hand, what other options has the Russian ruling class? Alexander Rutskoi, emerging from prison in his airforce general's uniform and wearing his Afghan war medal, may have signalled his intention to oust Yeltsin on behalf of the 'anti-marketeers' (and clearly with the backing of at least part of the military) but whoever is in power has still to confront Russia's economic impasse. So far the opposition has been unable to produce an alternative for Russian capital. The danger is that the absence of any viable economic course of action will lead to a barbaric nationalist political route. Unhappily the Western powers-that-be are not fearful of a communistic revolt of the Russian working class - a 1905 or a February 1917 - but of an increase in the sort of destabilising ethnic and religious conflicts which are already besetting the old Union. This is not a groundless fear. With the discrediting of the West's 'shock therapy' programme and the humiliation of having to submit to the IMF for little return, Russia's political class - and not just the Zhirinovskys - are looking to consolidate what they can from the whole mess.

One of the consequences of last October's shoot-out in the White House - when Yeltsin openly relied on the military - has been a shift away from kowtowing to the US. In November the Security Council for the Russian Federation produced a final version of a policy document on the military and the army. As well as giving 10-15 years for the arms industry to modernise and restructure so as to "develop the potential for military defence", it asserted that the security interests of the Federation require the stationing of troops in advance frontier zones - i.e. along the borders of the old USSR, not the present ones. Further, the document explicitly states that the army is charged with the responsibility of protecting Russian minorities inside the Commonwealth of supposedly Independent States (CIS, the old Soviet Union). Whilst this is no more than a recognition of what already exists for example, in Georgia where Russian troops have intervened - Russia's rulers, though obliged to accommodate with the US internationally are no longer prepared to disguise the fact that Russia still has a sphere of interest to defend. In the vocabulary of Russian politicians talk of the "Commonwealth of Independent States" is giving way to old-style imperialist references to the "near abroad".

The latest destabilising spectre to haunt the West is the fear of the Russian military moving into the Crimea (transferred by Khrushchev to Ukraine in 1954 and population 70% ethnic Russian) or even into eastern Ukraine proper. With a dependence on Russia, or to a lesser extent, Turkmenistan for 60% of its energy supplies (gas and oil), the economic crisis in Ukraine is even worse than in Russia itself. Monthly inflation is even higher and where they can workers prefer to get paid in roubles rather than Ukraine's even more worthless currency. Obligated to pay the free market price for fuel (still subsidised in Russia), Ukrainian industry has just about ground to a halt and both industrial and domestic gas supplies have been cut off for weeks on end. At the time of writing Russia has cut off supplies for non-payment of the fuel bill and the Ukrainian government is trying to borrow from the US. With an election coming up the US would rather have Kravchuk and the revamped Stalinists in power than the rampant Ukrainian nationalists who look to the "national resistance" against the Red Army alongside Hitler as their finest hour.

Against the poison of nationalist propaganda there remains the fact that the working class of the old USSR - wherever it may be - is in essentially the same terrible material position. Last year there was a wave of strikes by Ukrainian

continued on page 3

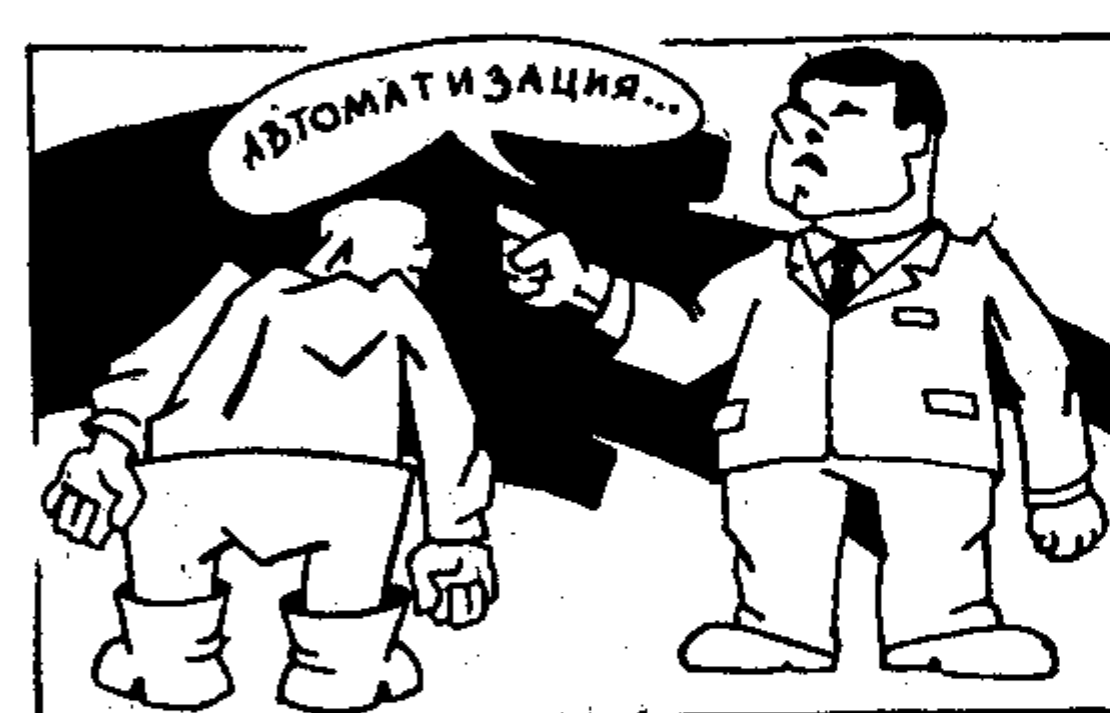
The Stages of the Grand Tour 1917 -1993



Collectivisation! (Thirties)



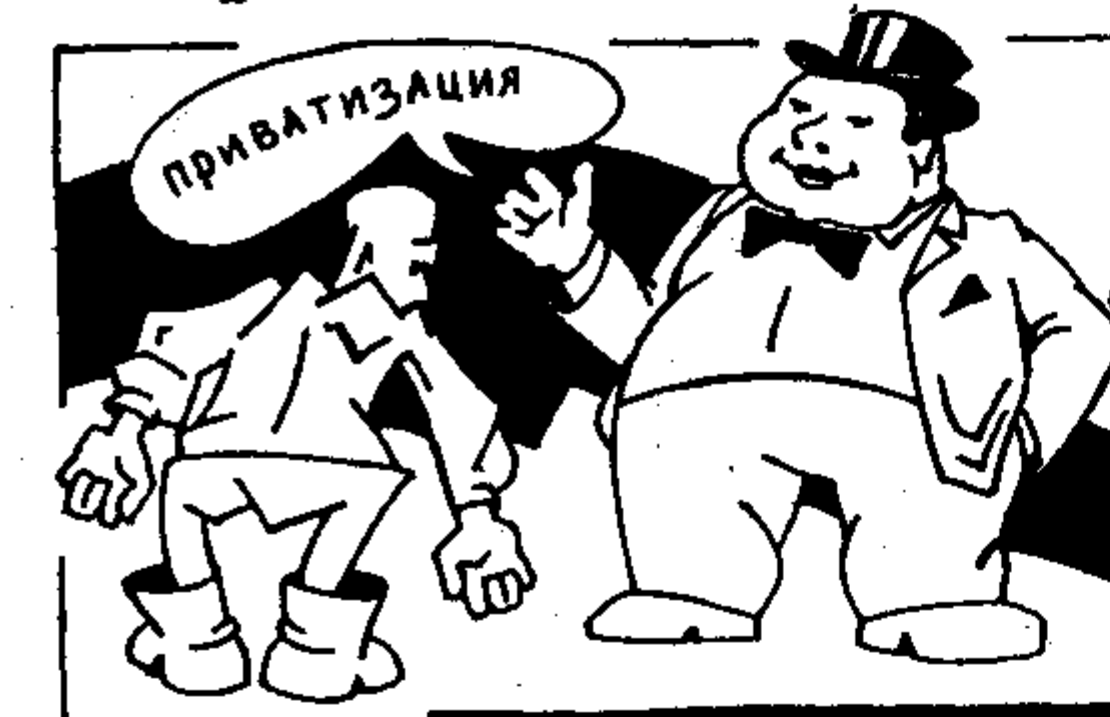
Industrialisation! (1930-40)



Automation! (Sixties)



Computerisation! (1970-80)



Privatisation! (Nineties)

From Solidarity, a Moscow trade union journal. Hardly a hot-bed of revolution but (and despite the horny handed worker) the central message is clear.

this given the absence of a big enough national pool of surplus value (capital) and especially that it's clear there's going to be no massive injection of capital from the West. All of them share the same desire to have the working people of Russia on their side, i.e. on the side of the national capital. One way or another the working class must be made to accept that even further sacrifices have to be endured for the sake of "mother Russia" or, more and more unconvincingly, "jam tomorrow".

The Desperate Economic Situation of the Russian Working Class

One of the main reasons for Yeltsin's growing political isolation is his declining popularity amongst the working class, or rather his declining ability to curb the response of angry workers. This capacity was always exaggerated in the