

1917

"To face reality squarely; not to seek the line of least resistance; to call things by their right names; to speak the truth to the masses, no matter how bitter it may be; not to fear obstacles; to be true in little things as in big ones; to base one's program on the logic of the class struggle; to be bold when the hour for action arrives—these are the rules of the Fourth International."

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World Revolution—Not 'Market Socialism' Perestroika: A Pandora's Box

Ronald Reagan, flying into retirement on 20 January, boasted to reporters on board his plane that he could go down in history as the president who won the Cold War. With this self-congratulatory remark, Reagan sounded an ideological note that is becoming increasingly resonant among bourgeois political commentators and ideologues. If Mikhail Gorbachev succeeds in the new

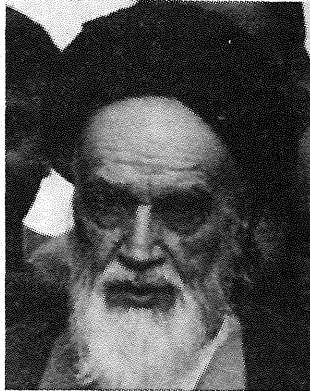
course on which he has launched the Soviet Union, they argue, the global struggle unleashed by the Russian Revolution of 1917 may finally be decided in favor of capitalism. Last September, Margaret Thatcher declared: "It is extremely both bold and prophetic at this time for the Soviet Union to have a leader who comes right to the top and says, look, for 70 years Communism hasn't

produced the hopes and dreams that we had for it. Those hopes and dreams crumbled" (*New York Times*, 28 September 1988). Even Ayatollah Khomeini could not resist getting into the act: in January, his emissary delivered a personal note to Gorbachev saying, "Communism should henceforth be sought in museums."

When the Iranian apostle of pre-feudal darkness, reeling from military defeat, pronounces communism antiquated, reality becomes indistinguishable from Monty Python. However, to paraphrase Mark Twain, the proclamations of victory over communism are exaggerated. The international system of imperialist oppression and exploitation which goes by the name of "free enterprise," has solved none of its profound internal contradictions, nor has it acquired a new lease on life. As the sun sets on the "American Century," the U.S. economy is staggering under a colossal mountain of debt; major American industrial centers lie in waste and the lower layers of the working class are shoved down into the ranks of the homeless.

Conditions of life for the masses in the "underdeveloped" neocolonies of the American empire are more desperate than they have ever been. In Latin America, the front yard of U.S. imperialism, leftist insurgencies threaten the regimes of El Salvador and Peru, while Mexico, and virtually all of the rest of the region, teeter on the brink of a social volcano. The spontaneous revolt that rocked Venezuela last February in response to the austerity measures dictated by the International Monetary Fund (IMF), revealed the fragility of the Central and South American economies. In the principal outpost of U.S. imperialism in Asia, the Philippine New People's Army is holding its own against the Washington-backed regime of Corazon Aquino. Thirty years ago, CIA operatives could orchestrate coups from Teheran to Guatemala City. But today, the U.S. has not only been unable to topple the Soviet-backed Sandinistas after an eight-year effort, it could not even oust General Noriega, the tinpot military dictator it helped to power in Panama, a banana republic of its own creation.

But Reagan's vision of a capitalist "victory" is not simply a hallucination. The countries of the Soviet bloc, whose economies are based on the expropriation of private capital, are in unparalleled retreat on the military, economic and ideological fronts. As the Soviet Union and its allies disengage from Afghanistan, Angola and Kampuchea, a new ideological contagion is sweeping the lands ruled by Stalin's heirs. Moscow, Beijing and lesser capitals of the so-called communist world, resound with calls to jettison the baggage of "Marxist dogma" in favor of all things "Western." The accent in the political sphere is on "pluralism," the "rule of law" and parliamentary democracy devoid of class content. On the economic side,



Khomeini

Farnood/SIPA

prevailing sentiment runs toward markets, "private initiative" and "enterprise profitability" as antidotes to the "rigidities of centralized planning." Stock exchanges have already opened in Beijing and Budapest, the Soviet Union has embarked upon "joint capital ventures" with Western firms, while the Eastern European states vie with one another for even larger infusions of credit from the IMF and the World Bank.

The Stalinists' sudden discovery of the virtues of free enterprise has occasioned a veritable orgy of crowing in bourgeois circles. Zbigniew Brzezinski, Jimmy Carter's National Security advisor and Cold War hawk *par excellence*, has written a book titled *The Grand Failure*, in which he predicts that communism will be remembered as the biggest aberration of the twentieth century. This theme was echoed on the front page of the January issue of *Commentary*, the leading "neo-conservative" organ, which featured an article by Jean-Francois Revel under the heading "Is Communism Reversible?" The front page of the 23 January *Economist*, an authoritative voice of British Toryism, pictured a tangle of barbed wire being snipped open with a wire-cutters under the headline "As Eastern Europe Cuts Free." The same week the *New York Times* ran a three-part series of interviews with members of Communist Parties from around the world. The first article opens with a joke current in Moscow. Question: "What is Communism?" Answer: "Communism is the longest and most painful route from capitalism to capitalism." The article goes on to note the effects of recent developments in the USSR on international Stalinist opinion:

"The process of reform, personified now by Mikhail S. Gorbachev...evokes...dismay that so much of the terrible

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'No Pay, No Work!': Workers Occupy Plant S.F. Progress Plundered

Frank Lorenzo's much-publicized corporate union-busting at Eastern Airlines, which led to the recent strike of machinists and pilots, is representative of a host of smaller battles being waged against working people in virtually every industry across America. Here and there these attacks are meeting with resistance. Last fall, 200 relatively privileged workers at an obscure newspaper in San Francisco fought their own union "leaders" to resist an attempt by another modern-day robber-baron to mug them for their paychecks.

The newspaper, the *San Francisco Progress*, eked out an existence for more than 60 years by picking up the advertising crumbs left by the big San Francisco Bay Area metro dailies. The *Progress*, a three-times weekly free-advertising sheet, survived by carving out a niche for itself as a "hometown" newspaper featuring high-school sports and neighborhood news. It specialized in ads for supermarkets and small merchants who could not afford the artificially high advertising rates of the *Chronicle* and *Examiner*. With gross earnings of about \$12 million a year, the *Progress* was, by big-city standards, a small-time operation.

For most of its existence the paper was a marginally-profitable, family-owned enterprise; but in recent years the paper passed through the hands of a number of owners, each of whom demanded contract concessions to wring out the additional revenue necessary to pay off the loans piled up to finance the purchase. And each time ownership changed hands, the bureaucrats of the five unions involved in the production of the paper dutifully rolled over and "negotiated" pay cuts, pay freezes, increases in the work week and "give-back" work rule changes that meant, in the end, fewer jobs. Collective bargaining by the bureaucrats meant, as it usually does in such situations, that the union bargained and the company collected. The anger of the workers in the plant grew with each new give-back contract. In several instances strikes were avoided by the bureaucrats' packing contract ratification meetings with pensioners and political hangers-on. The gains of nearly 60 years of struggle were dribbled away over the course of a decade by the frightened, and in some cases crooked, local union hacks. By 1988 real wages among the typesetters had declined by nearly \$100 per week.

Rentschler Moves In For the Kill

The final owner of the paper was the infamous Chicago-based Rentschler group. The Rentschler clan, which owns a number of Chicago-area newspapers and radio stations, is headed by William Rentschler, a Richard Nixon groupie who, according to *San Francisco Magazine* (March 1989), did time in federal prison in the early 1970s for a \$1.4 million bank fraud. True to form,



Rentschler began his tenure at the *Progress* by bouncing the \$50,000 check which he offered as a down payment.

Shortly after buying the paper, the Rentschlers began to pad the payroll with family members and high-priced "consultants," each with generous expense accounts, who gobbled millions of dollars from the paper's limited revenues. By the spring of 1988, it was clear that a classic looting operation was underway. Among the five unions representing the various print workers at the paper was the Bay Area Typographical Union Local 21/Communications Workers of America (BATU/CWA). *Militant Printer*, a BATU/CWA oppositional union newsletter with a long history in the union, which is politically supported by the Bolshevik Tendency, reported in its 1 November 1988 issue:

"Beginning in April the *Progress* stopped paying into the San Francisco Printing Industry Welfare Fund (which provides hospitalization to the pressmen, mailers and Local 21). They also stopped paying the ITU Industrial Pension, Workmen's Compensation Insurance, Social Security and state and federal income taxes withheld from the workers' paychecks. At the end of the summer, *Progress* checks began to bounce so often that even the neighborhood saloons wouldn't cash them. . . .

"Beginning in June the *Progress* Chapel demanded that the company pay up but it soon became clear that all the management was willing to do was to dispense large quantities of hot air and empty promises. The Chapel got angrier with each report that the company was allegedly being looted by its 'management team' instead of paying its bills.

"Finally in October, anger turned to action and the Chapelled a series of work stoppages demanding that the money (now something in the neighborhood of \$150,000) be paid immediately. The one-to-two-hour work stoppages resulted in several of the bounced paychecks being immediately paid (in cash) and \$12,000+ being paid to purchase workmen's compensation coverage. The health

and welfare and pension, however, remain unpaid. The company, having removed most of the top management, then installed a member of owner-publisher William Rentschler's family as CEO. More vague promises, evasions and a lot more hot air."

Faced with a membership in open revolt, Morris Goldman, president of Local 21 and a long-time supporter of the politics of the Communist Party, went to court and got permission to seize \$116,000 in corporate funds on November 17th to satisfy arrears in hospitalization fund payments. In retaliation the company refused to issue payroll checks. Once again, work stopped. At a mass meeting of all the workers in the plant, the union bureaucrats pleaded that the bosses be given until Monday November 21st to raise the money for the payroll.

November 21st came and went and the union leaders did nothing. But every time the company failed to make a payroll, or bounced a check, the workers downed tools and refused to either work or leave the premises until they got their money. Each time, the bureaucrats would set new "deadlines." Several partial payments were made on wages until finally, at a tumultuous meeting on November 22nd, where the bureaucrats had to shout to

be heard, they proposed that the company be given one "last chance" to make up past wages.

Supporters of *Militant Printer* joined with supporters of the Workers World Party in putting forward motions to close the plant down immediately and set up a picket line. The workers, beginning to feel the power of their numbers, time after time denounced the incompetence, greed and arrogance of the owners and demanded that the plant be shut down. The bureaucrats counterposed the "threat" of "forcing" the company into Chapter 11 bankruptcy proceedings and taking the workers en masse to apply for unemployment benefits! At this critical moment in the struggle, the supporters of the Teamsters for a Democratic Union, who had previously backed the move to close the plant down, switched sides, caved in to the bureaucrats, and voted to extend the deadline to November 29th.

Once the workers had been tricked into going back to work, the company began floating rumors of "new investors" (including the notoriously anti-union former San Francisco mayor Dianne Feinstein) and an employee stock plan that would eventually give the workers 25 percent of the non-voting stock in the company.

Militant Printer's Class-Struggle Program

Reprinted below is the program of Militant Printer which was published in the first issue of the newsletter, 15 July 1983:

The program of "Militant Printer" is first and foremost for a break with the strikebreaking Democratic and Republican Parties. The Labor Movement must have its own political party, a *workers party* based on and under the control of the unions, that will form a workers government to expropriate major industry without compensation.

For a four-day 30-hour workweek with no loss in pay!

Such a workweek would virtually end unemployment in this industry. The right to a job should be the birthright of every worker.

For a 100% cost-of-living clause in every contract!

With a 29 billion dollar federal government budgetary deficit last month (more than the entire year of 1975) the return to double digit inflation is only a matter of time.

Picket lines mean don't cross!

No crossing of picket lines for *any reason*. If there is a strike at the S.F. Printing Company, let's see to it that the Chron/Ex is *shut-down tight!* If the company tries to break the strike let's return to the sit-downs of the '30s and occupy the building. Strikes that don't stop production are little more than impotent protests a la the disaster in Vallejo.

For an end to racist/sexist discrimination in any form!

For union action to smash the Ku Klux Klan and Nazis!

Organize the Unorganized!

With real wages declining in the non-union shops even faster than they are in the organized shops, a union with a fighting leadership that can demonstrate to non-union printers that it's possible to win against the employers, can convince the thousands of non-union printers in the Bay Area to join us.

For a real fight for merger of all the printing unions!

The tragi-comedy being played out in Colorado Springs and in the pages of the ITU Journal demonstrates once again that until an enraged membership *demand*s merger, the chair-warmers and hand-raisers will continue to fight over who will get/keep what little post or petty job.

No lawsuits against the Union!

Every time a member drags the union into court the judges and politicians rub their hands with glee at another opportunity to gain control over our affairs. Suing the union is the equivalent of calling the cops into a union meeting to settle a dispute.

Take back and use the strike weapon!

Carefully prepared, militantly prosecuted strikes, with mass picket lines and a leadership committed to winning are the key to putting this union back on its feet.

For international labor solidarity!

Military victory to the left insurgents in El Salvador! No U.S. intervention in Central America! Stop the Reagan anti-Soviet war drive! No to the poison of protectionism! The workers of the world are our allies. The real enemy is at home.



Progress printers support PACTO strike, September 1981

1917 photo

Militant Printer commented:

"The sad truth is that the *Progress* is probably already out of business. Any time a company has to expropriate their employees' pensions and hospitalization funds in order to stay open, it is probably already too late to save it. But, *even if* there is an angel in the wings willing to put new capital into the treasury, any talk of the workers taking a pay cut in return for 25 per cent, or any part of the business, is out of the question. The *Progress* workers pay and benefits have *already* been cut in one contract concession after another in the past 10 years and besides, 25 per cent of zero is—exactly zero.

"This paper has been bled by one owner after another until now, in the aftermath of the fiscally flamboyant [plant manager] 'Ad' Hawley, there is virtually nothing left. Two-thirds of the trucks are broken down, worthless junk, the press is a joke. The landlord has served an eviction notice, the state income tax board has reportedly moved on the paper's revenue and there is *still* a fortune owed to the various benefit funds with the office workers having been dropped from their hospitalization plan altogether. Thousands of dollars are owed on federal income taxes, unemployment benefit fund, disability fund and Social Security—not to mention the thousands owed to the various suppliers and other creditors.

"The only assets left in the plant are the skills of the *Progress* workers. Asking us to buy 25 per cent of our own skills is nothing more than a cruel hoax.

"Even under ideal conditions employee stock plans are a sham that end up pitting one worker against another and end up paying off in pennies—if they ever pay off at all."

—Militant Printer No. 21

In meeting after meeting until the plant finally closed, militants fought for *action* on their demands of "No Concessions!", "No Pay—No Work" and to shut the plant down. Time and again the bureaucrats equivocated and stalled until finally, on December 7th, the San Francisco County Sheriff locked the building that contained the paper's presses. On December 15th (ironically, the date of the bureaucrats' "final, final" deadline for the company to pay up) one of the paper's many creditors pulled the plug and forced the paper into bankruptcy. The workers, most of whom had lost thousands of dollars in wages, vacation and severance pay, responded by occupying the paper's composing room for two days. They refused to leave until they were sure the paper wasn't going to be put out by scab management and anti-union elements in the editorial staff.

Lessons of the *Progress* Struggle

The passivity and cowardice of the bureaucrats heading the five unions at the *Progress* prevented what could have become a general fight in the printing industry against a 15-year long offensive by the employers. The workers, angry and growing increasingly militant, had occupied the plant on a half-dozen occasions demanding action. These job-actions got considerable publicity in the competing San Francisco papers and the other media, and captured the attention of workers outside the industry. The *Progress* plant should have been shut down, tight! The unions under attack should have called on

other workers in the industry and to workers in other unions to put up mass picket lines to keep the plant shut down while the *Progress* workers occupied the plant. Such a struggle could have set an example of how to resist the offensive of the new breed of robber barons which Lorenzo and Rentschler represent. Instead, the bureaucrats spent their time undercutting the workers in the plant and worked overtime to prevent the struggle from spreading.

In an article entitled "*Progress* Postmortem," *Militant Printer* observed:

"Whatever else can be said about the last six months of the existence of the *Progress*, no one can say that the workers took the shenanigans of the owners without a fight. Time after time plant-wide meetings were held with angry workers demanding that the company pay up and that all work cease until they did. Time after time the workers denounced the incompetency, greed and arrogance of the owners. It was, for example, repeatedly rumored that the infamous 'Ad' Hawley took an average of \$10,000 a month out of the business in salary, 'bonuses' and expenses in the time he was in charge. That one of his hand-picked flunkies turned in taxi receipts in excess of \$800 and still other rumors abounded of kick-backs and outright theft of company money intended to pay workers' income taxes, pension, hospitalization insurance and even money for disability insurance to pay those injured on the job.

"Without fail, every time the workers met, determined to take action against the company, determined to get what was rightfully theirs, more promises were made, each one more sugar-coated than the last and each one increasingly less likely to be fulfilled. Each time the workers, reluctant to lose their jobs, wanting to believe that the crisis

would pass, agreed to one more deadline. Each time it turned out to be another lie.

"The part in the *Progress* tragic/comedy played by the bureaucrats of the various unions was a negative affirmation of the critical role of leadership in winning workers' struggles. Every time the workers gathered to discuss what action to take in their own defense, the people who take their dues money every month acted as the brokers between the angry workers and the owners, anxious as always to 'keep the peace'."

The workers at the *Progress* were victims of the new breed of corporate pirate. The repeated waves of give-backs, concessions and "pragmatism" of the class-collaborationist union tops only paved the way for the complete elimination of the jobs of the workers. *Militant Printer* drew the lessons, and consistently pointed the way forward with proposals for militant strike action. Especially important was the emphasis laid on the necessity to *broaden* isolated struggles of small groups of workers into mobilizations of the class as a whole.

Within the Bay Area printing industry, *Militant Printer* has been unique in fighting for a program that counterposes the interests of the workers to those of the class enemy. For working people to defend their jobs and living standards, it will be necessary to wage a political struggle in the union movement to forge a new leadership committed to the kind of a program put forward in *Militant Printer*—a program which connects the day-to-day struggles over wages and working conditions with the historic necessity for the workers to expropriate the Lorenzos and Rentschlers and establish a planned economy and a government of working people and the oppressed. ■

Lessons For The U.S. Labor Movement

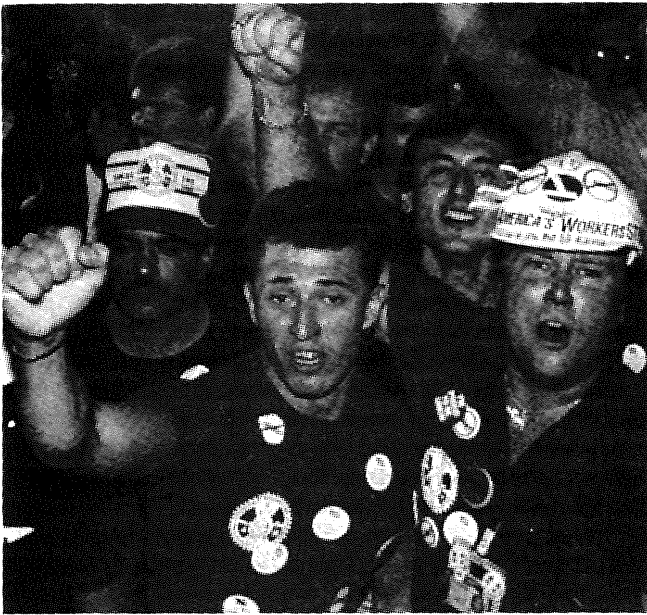
The Decline of the Printers Union

The strike at the San Francisco *Progress* is just the latest in a long series of attacks on the living standards of American workers in the print trades. The rise of corporate buccaneers in almost every industry has posed the issues of the class struggle in terms which have not been seen since the early decades of this century. Every time workers go on strike they confront an army of scabs and cops, backed by the authority of the courts and the entire legal machinery of the state. Where the union bureaucracy has managed to confine the struggle to the bargaining table, they have negotiated give-back concessions. Real wages, after inflation, have been declining for over a decade. In one industry after another the new breed of robber barons have looted entire companies, robbed the workers of their pension funds, built offshore plants and then pushed the crippled corporate remnants into bankruptcy courts, declaring that they can no longer "afford" to pay union wages.

The newspaper industry provides one of the most

spectacular examples of the inability of the established trade-union leaders, with their pro-capitalist class-collaborationist strategy, to defend the gains of the past, or even preserve their dues base. Automation and concentration of ownership, combined with the passivity and treachery of the union leadership, has had disastrous effects on print workers. The past few decades have seen the growth of large newspaper chains and the increasing prevalence of the "joint operating agreements" which allow two unrelated publishers to share the same production facilities. The result has been massive reductions in jobs.

Historically, the most powerful union in the newspaper industry was the International Typographical Union (ITU) of the United States and Canada. The ITU, which had been shrinking in members and economic clout for years, was absorbed two years ago by the much larger Communications Workers of America (CWA). The progenitor of the ITU, one of the oldest of



Randy Taylor/Compix

Militant Eastern Airline machinists Miami

the traditional American Federation of Labor (AFL) fraternal craft unions, was founded in 1852. The print unions began as guild-like associations of skilled craftsmen in the late 18th century. The print industry paralleled the growth of capitalism from essentially a mercantile, trading economy to that of modern industrial capitalism. The shop-floor organizations of the unions known as "chapels" reflect their roots in the medieval European craft guilds. To circumvent prohibitions against journeymen combining against their masters, the printers designated their workroom a chapel and opened meetings with a prayer.

Printers: Left Wing of Craft Unionism

In a period when much of the working class was barely literate, the printer, who was able to construct readable, grammatically correct sentences as well as set type and run presses, occupied an essential position in the economy. Banded together, printers had considerable power to maintain wages and improve their conditions because there were few people that could replace them in the event of a strike. Through a system of 6-year apprenticeships, a careful selection of new members weeded out those not loyal to the fraternity. Even with the advent of the linotype machine in the 1880s and the mechanization of typesetting, the skills necessary to operate a machine with more than 90 keys was sufficient to cause even the most greedy boss to think twice before provoking a strike.

The printers, who in 1940 were the second highest paid skilled craftsmen behind tool and die makers, developed a sophisticated set of fraternal benefits. In 1892 the printers union opened a sanitarium for tuberculosis patients that set a medical standard at the time for treatment of this disease. Tuberculosis was once known as the "printers disease" because of its frequency among printers subject to constant lead fumes from the type-

casting machines. (The average age at death of ITU members at the turn of the century was 49 years.) As recently as 1944, more than 90 per cent of all monies spent by the ITU were for fraternal benefits of one kind or another.

The ITU leadership, whose ranks were among the most privileged of the working class, tended to share the social attitudes and political positions of the liberal petty bourgeoisie. The union supported the abolitionist, suffragette, public school, child-labor, 8-hour-day and five-day work-week movements. Although initially closed to women, the ITU leadership was smart enough to change this policy and effect a merger when female typographers formed their own union. Like virtually all the craft unions, the ITU has historically practiced racist job-trusting and there have never been more than a tiny handful of blacks in the union. The apprenticeships were handed from father to son and this ensured that the union membership retained its predominately Irish, German and Jewish ethnic composition.

When the American trade-union movement underwent a historic split over the issue of industrial unionism at the 1935 AFL Convention in Atlantic City, the ITU was one of the few unions that left the old craft-unionist AFL and founded the Congress of Industrial Organizations. Along with the United Mineworkers Union, the ITU was one of the few unions which refused to observe the anti-communist clause of the 1948 Taft-Hartley Act.

Technology and the Decline of the ITU

In the postwar period, the technology developed by the government during the war, both in offset printing and computers and electronics, began to find practical applications in the plants where ITU members worked. Beginning in the early 1950s, the publishers began to fund the search for ways to replace the system of "hot metal" typesetting that required the use of the linotype with its complicated keyboard. By the end of the Eisenhower years, the Fairchild Camera Co. introduced a machine with a modified typewriter keyboard that produced coded, perforated paper tape that in turn drove the linotype.

Later these paper tapes were used to drive primitive computer-controlled phototypesetting equipment that could produce as much type in ten minutes as a linotype could turn out in seven hours. This development had the immediate effect of de-skilling the job of assembling pages of type, from one of a complicated system of hand labor to one of pasting the phototypeset film on page-sized sheets of paper from which plates for presses could be produced photographically. Today's computer-driven equipment can produce a day's production on the linotype in a few seconds.

During the postwar witchhunt of the 1950s, the socialist and Communist leadership in the big city locals of the ITU was pushed aside and both on the local and international level, a more conservative layer of "business" union bureaucrats came to power in the ITU. This paralleled developments in other CIO unions. Frightened by the threat of the new "cold type" printing processes, the union bureaucrats, at first hoping to adapt, opened a training school for union members in Colorado

Springs. Before long they could see that the new technology would require far fewer people to produce the same amount of printed matter. Their "answer" was to negotiate contracts in both Canada and the U.S. with deadly attrition clauses that "guaranteed" jobs to those already employed in the industry. What this did was guarantee only that there would be a steadily declining membership. In 1960 there were 103,000 active members of the ITU—at the time of the merger with the CWA there were fewer than 50,000. The *New York Times* which employed 1,200 union printers in 1960, has barely 300 today.

As ITU membership declined and equipment was introduced that required less skill, the employers went on the offensive against the ITU—with devastating effect. This occurred at a time when the newspaper business itself had begun to change. The development of television in the postwar period squeezed newspaper profits in ways which even the technological revolution in the shops could not begin to address. Coupled with the departure of important layers of readers to the suburbs during the 1950s and '60s, the competition for advertising dollars drove a number of big-city dailies out of business. In New York City, for example, at the end of WW II there were eight English-language dailies (as well as three non-English ones). Today only three are left. San Francisco went from five daily papers down to two.

Monopoly Capitalism in the Newspaper Business

High school civics textbooks notwithstanding, the newspaper business has never had anything to do with the altruistic exercise of the First Amendment or the "people's right to know." It is about profits. While it does serve an ideological function in capitalist society, ultimately the daily newspaper is a commodity chiefly distinguished from other commodities in that the final product is a medium for advertising other commodities. Sales and subscription revenue barely pays for the paper it is printed on. The overwhelming majority of publishing revenue comes from advertising. When the competition for a finite number of advertising dollars reached a certain point, the music stopped, and, just as in musical chairs, someone was out. Often, failing newspapers were purchased by their rivals and combined under a hyphenated title. In other cases, media-conglomerates like Gannett, Hearst, or Knight-Ridder would buy an ailing publication and then, after pumping in new capital, and cutting advertising rates, turn the tables and put its rivals out of business.

In 1971 the newspaper chains convinced a liberal U.S. Congress to pass the "Newspaper Preservation Act" which legalized "Joint Operating Agreements." Under a JOA, previously competing newspapers pool their mechanical operations such as advertising sales, typesetting, press work and delivery systems, while maintaining separate editorial facilities. Profits are split according to a previously arranged formula. For certain newspapers the Newspaper Preservation Act carved out a unique exemption from the Sherman Antitrust Act. By fixing advertising rates and sharing markets, existing papers could effectively control entry into the industry.

Today the newspaper business is almost an exclusive preserve of the giant chains. Competing daily newspapers have virtually disappeared. According to a resolution sent to the U.S. Justice Department last June by the Association of Alternative Newsweeklies, 98 percent of American cities have monopoly daily newspaper combines with single ownership or joint operating agreement operations. And they are extremely profitable. Robert Picard, professor at Emerson College in Boston and author of *Press Concentration and Monopoly* was quoted in the *New York Times* on 18 July 1988: "Daily newspapers earn an average of about 19 percent on sales, more than double the average for other manufacturing businesses, and the companies with joint operations earn about twice what other papers earn." Newspaper publishing is one of the most profitable industries in America today, ranking with pharmaceuticals, oil, mineral extraction and broadcasting.

An interesting case of a "failing" newspaper was the *Detroit Free Press* owned by the giant Gannett Co. Inc., which petitioned the Justice Department in 1987 to be allowed to enter into the biggest yet JOA with the competing *Detroit News* (owned by the nearly as large Knight-Ridder chain). Both newspapers are among the 10 largest in the country and Detroit is among the six largest advertising markets. The JOA was approved by the U.S. Justice Department—four days before Edwin Meese departed as Attorney General—over the objections of his own staff and the administrative-law judge in the case. In San Francisco, the *Chronicle* and the Hearst-owned *Examiner* have had a JOA since 1965 (preceding the Newspaper Preservation Act legislation by six years) and have systematically crushed their competition. Those not driven out of business have been bought out by other media giants. The *Santa Rosa Press Democrat* is now owned by the *New York Times*, the *Palo Alto Times-Tribune* is owned by the *Chicago Tribune* (which also owns the *New York Daily News*), the *San Jose Mercury-News* is owned by the Knight-Ridder chain and the *Hayward Review* was recently bought by Media General Inc., a publishing conglomerate.

Anti-Communism Leads to Defeats for Unionists

In the printing unions, particularly in the ITU, the generation of the union's leadership that fought to build the CIO and fought against the Taft-Hartley Act were elected primarily from the big-city locals where the Communist Party and other left organizations had their base. The history of print workers in the publishing industry for the past 25 years has been a history of the same anti-communist "business unionism" that had become the standard in the rest of the union movement with the witchhunt era of U.S. Senator Joseph McCarthy. Radical and Communist leaders of individual locals and international unions were driven out of office by the hundreds and replaced by small-town, small-time job-seekers with conservative politics, who believed that "labor relations" were a matter of mutual interest of the capitalists and the working class. It is this layer of consciously class-collaborationist bureaucrats, wedded to the Democratic Party, who have run the print unions into the ground.

They considered themselves "pragmatists." The sum total of their political wisdom was that no problem was so serious that it couldn't be solved by the right compromise.

When the postwar era of U.S. imperialism's domination of the world economy ended in the early 1970s, the American bourgeoisie began a frontal assault on the wages and conditions that the unions had won in previous decades. Where they didn't export entire industries offshore to take advantage of cheap labor in third-world countries, they made massive investments in automated equipment to drive down labor costs. Using the reams of anti-labor legislation passed after World War II, they then came after the unions for major concessions in contract negotiations. In industry after industry, the "realistic" labor bureaucrats delivered up their members' standard of living as a sacrifice to ensure the continued flow of profits. The union leadership, tied politically, socially and economically to the Democratic Party, spent their energy trying to get "friends of labor" elected to state and federal legislatures in the vain hope that they would intervene and save the day.

In the few instances where the printing union bureaucrats were forced to fight, the narrow apolitical perspective of the leadership led only to defeats. In a landmark strike at the liberal *Washington Post* in October 1975, the pressmen and stereotypers of Local 6 of the Newspaper and Graphic Communications Workers Union walked out in a contract dispute and were immediately replaced with scabs. The pressmen, knowing that scabs were waiting on the upper floors of the paper to take their jobs, sabotaged the presses and immediately set up a militant picket line that subjected some of the scabs to a little proletarian justice. The liberals of the *Post* then published a scab edition of the paper which waxed indignant about the "immorality" of the strikers and compared them to assassins, terrorists and airplane hijackers. The Newspaper Guild (reporters and editors), and later the ITU, crossed the pressmen's picket line and the strike was defeated with two members of the pressman's union drawing long jail terms.

Similar scenarios had been played out earlier in Los Angeles, Portland, and Miami. Ten years later the *Chicago Tribune* was struck by the ITU, and while the strike became a popular cause in the Chicago labor movement, the union leaders managed, through ineptitude and cowardice, yet another defeat. In every one of these strikes it was the union bureaucrats' fear of confronting the government (run for the most part by the very Democratic Party politicians they had supported) that led to the defeat. When injunctions were issued, the unions obeyed. When police brought scabs through their picket lines, the bureaucrats stood by prattling about the "hopelessness" of standing up to the scab-herders. Had the previous generations of workers shown such respect for capitalist legality there never would have been any unions in the first place.

For a Fighting Labor Movement!

The wave of defeats suffered by American workers in recent years underlines the bankruptcy of business



Bob Sherman/AP

U.S. Labor Secretary Elizabeth Dole and AFL-CIO head Lane Kirkland agree to lower minimum wage

unionism. Lane Kirkland and the rest of the U.S. labor bigwigs cannot even defend the existence of the workers organizations from which they derive their parasitic existence. Their pro-capitalist business unionism is *liquidating* the gains won over decades of militant struggle in the past.

While the labor bureaucracy is organically connected to its base, the typical bureaucrat enjoys many a lifestyle closer to that of middle management. The labor tops serve as ideological police for the capitalists—that is why socialists have traditionally labelled them the "labor lieutenants of capital." Their task is to contain and channel the struggles of the proletariat and promote class-collaboration by adapting the pernicious ideology of class peace to the daily events of the class struggle.

The decline of the once powerful ITU holds a lesson for all those who have to work for their living. The owners of the means of production are *compelled* by the inexorable logic of the market to attempt to drive down the living standards of *all* sectors of the working class—even the most privileged. The recent string of wins for the employers is directly due to the cowardice and treachery of the professional union misleaders. Nevertheless, the union movement on this continent wields enormous social power. Workers need a union leadership that understands that the interests of the capitalists and those of the workers are diametrically opposed. Such a class-struggle union leadership must teach the ranks not to rely on the goodwill of the employers and their courts, but rather the mass strength of the working class. This means breaking with the twin parties of the capitalist class, and forging a workers party.

A workers party worthy of the name must start from the understanding that the capitalist government can never represent the interests of the oppressed and exploited. Such a party must champion the rights of all those trampled underfoot by this system of greed and exploitation. It must defend all partial gains won in the past. But a class-struggle leadership for the proletariat must be more than a movement of protest and reform—it must be animated by a determination to fight for a government of working people pledged to expropriate the capitalists, and for the construction of an egalitarian, socialist order.■

BT Debates LRP

On the Nature of the USSR

The Bolshevik Tendency (BT) and the League for the Revolutionary Party (LRP) held a public debate on the Russian question on December 10 1988, in New York City. Approximately forty people attended, including supporters of both groups, a variety of unaffiliated leftists, as well as representatives of the Freedom Socialist Party and the Fourth Internationalist Tendency (FIT). One of the FITers was Frank Lovell, a long-time cadre of the Socialist Workers Party (SWP). Myra Tanner Weiss who, like Lovell, had a long and distinguished career as an SWP leader, was also in the audience.

Jim Cullen, who made the main presentation for the BT, opened with a spirited defense of Leon Trotsky's analysis of the Soviet Union as a degenerated workers state which revolutionaries must defend against both external capitalist attack and internal counterrevolution.

Walter Dahl responded for the LRP with the assertion that social relations and property forms in the USSR (as well as in China, East Europe, Cuba, Vietnam, etc.) are fundamentally the same as those in the capitalist West. He argued that:

"The reason the Soviet Union is capitalist is because they exploit the workers by means of wage labor. For Marx, the fundamental question that distinguishes all class societies is how is the surplus product extracted from the workers, from the producers. If it's done through slave labor, that's one kind of class society. If it's done through wage labor, it's another....on the basis of that, the entire structure of the society develops."

It is true that workers in the Soviet Union are paid wages, and it is also true that a significant portion of the social surplus is not returned to the workers in the form of consumer goods. But "wages" in the USSR do not constitute variable capital as they do in a capitalist economy.

In the *Critique of the Gotha Program*, Marx observed that under the dictatorship of the proletariat, and even during the lower phase of communist society itself, bourgeois norms of distribution—including payment in accordance with the amount and quality of work—remain in force. Marx explained that, "the individual producer receives back from society—after the deductions have been made—exactly what he gives to it." He explicitly stated that in this, "the same principle prevails as in the exchange of commodity-equivalents: a given amount of labour in one form is exchanged for an equal amount of labour in another form."

The system of wage payment in the USSR is distinguished from that of a capitalist economy in that wages paid to Soviet workers are not money, the universal equivalent of all commodities. They are more like



1917 photo

generalized ration tickets—exchangeable for a definite portion of the consumer goods mandated in the central plan. The means of production cannot be purchased with these ration tickets. This feature of the Soviet economy anticipates Marx's projection for socialism in the second volume of *Capital*:

"With collective production, money capital is completely dispensed with. The society distributes labour-power and means of production between the various branches of industry. There is no reason why the producers should not receive paper tokens permitting them to withdraw an amount corresponding to their labour time from the social consumption stocks. But these tokens are not money; they do not circulate."

—*Capital* (Penguin) Vol. 2

The Law of Value vs. Centralized Planning

Dahl asserted that the Soviet economy has, for the last half-century, been driven by the law of value, citing various Stalinist bureaucrats as his authority. He argued that if one denies that the Soviet economy is governed by the law of value, "you have to say that it's consciousness that applies, but if you say that it's consciousness that applies and you look at what the conscious planners say, they say they're operating according to the law of value, so you're back at the law of value coming or going."

All this proves is that these Stalinist bureaucrats do not themselves understand the law of value—the law of spontaneous equilibrium of a market economy. Each factory in the USSR produces in accordance with the instructions it receives in the central plan. Its products are sold at the price specified by the planners. Whether or not the products eventually find buyers has little effect on the future activity of the enterprise. Future allocations of machinery, labor and raw materials are also specified in the supply plan.

In a capitalist economy, each company is free to

produce as many commodities as it thinks it can sell. It is only limited by the capital at its disposal. The market imposes upon each enterprise a standard of socially-necessary labor time required for the production of each commodity. Enterprises that fail to meet this standard will prove unprofitable and eventually be forced out of business.

Virtually all economists distinguish between "command" and "free" (market-driven) economies. Alec Nove, a reputable liberal economic historian of the USSR, described the operation of the Soviet economy of the 1930s as follows:

"The overriding criterion at all levels was the plan, embodying the economic will of the party and government, and based not on considerations of profit or loss but on politically determined priorities....Prices were out of line with costs, changed at infrequent intervals and not even conceptually related to scarcities, so the profit motive, had it been allowed, would have operated extremely irrationally."

—*An Economic History of the U.S.S.R.*

Planners in a collectivized economy who ignore the totality of available inputs in drawing up an economic plan invite massive economic dislocation, as Stalin discovered in the early 1930s. But allocating available economic resources in accordance with a predetermined plan, however unbalanced, is a fundamentally different manner of organizing a modern industrial economy than the spontaneous flow of investment from one sector to another in accordance with the law of value, i.e., on the basis of differential rates of profit characteristic of a system of generalized commodity production.

LRP: Rates of Growth and "Capitalism"

One of the peculiarities of the state capitalist fraternity is that apart from using the same label for the Soviet Union, the various proponents of "state capitalism"—who range from Maoists to Bordigists to various Third Camp "Trotskyists"—cannot agree on *why* the USSR should be considered capitalist. Each political tendency has manufactured its own "theory" and a corresponding date at which the reversion to "capitalism" is supposed to have occurred. The LRP claims that "capitalism" was consolidated by 1939, during the third five-year plan. According to the LRP, the high rates of growth of the first two plans prove that the USSR must still have been a workers state.

The LRP recognizes that the Russian Revolution "nationalized and centralized property, established a monopoly over foreign trade, centrally controlled credit and banking, etc. in a way that the bourgeoisie could never have accomplished." Yet even when the workers state was transformed into a "capitalist" one, "These gains were not erased by the Stalinist counterrevolution but seized, utilized and turned against the proletariat" ("Exchange on State Capitalism," *Socialist Voice* No. 6). Thus, according to the LRP, for half a century capitalism has ruled the Soviet Union on the basis of the property forms created by the proletarian revolution of 1917! This is an idealist perversion of one of the most fundamental propositions of Marxism, i.e., that it is changes in the

forms of property which characterize the historical succession of class societies.

LRP and the Unresolved Contradictions of Left Shachtmanism

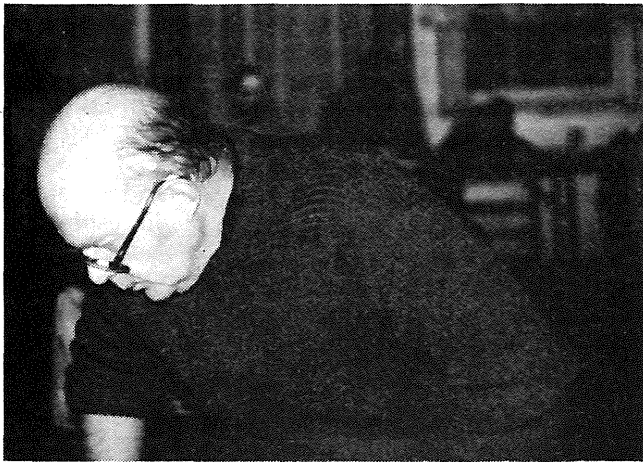
Max Shachtman was one of the founders of the American Trotskyist movement. In 1939, in response to petty-bourgeois outrage over the Hitler-Stalin pact and the Soviet-Finnish war, Shachtman began to back away from the historic Soviet-defensist positions of the Fourth International. The next year, after a sharp factional struggle, Shachtman and his followers split from the Socialist Workers Party to form the Workers Party (WP). According to the WP, the Soviet Union was no longer a workers state, and should therefore no longer be defended against imperialism. It was, according to Shachtman, a new form of class society, which he labelled "bureaucratic collectivist." The Workers Party accordingly advocated the creation of a "third camp," equally opposed to both the Soviet Union and capitalism.

For the next decade and a half, the WP maintained an ostensibly Marxist "third-camp" position, but Shachtman's political evolution was steadily to the right. He eventually found his political home among right-wing trade-union bureaucrats of the likes of Albert Shanker. In 1962, he supported the Bay of Pigs invasion of Cuba, and was later a staunch supporter of U.S. imperialism in the Vietnam War.

The interesting thing is that Shachtman, in adopting these reactionary positions, did not explicitly renounce his socialist past. In his own mind, he was still as much a socialist as he had ever been. The LRP, which is descended from the Workers Party, wishes to distance itself from Shachtmanism because it correctly perceives that the explicitly pro-imperialist positions Shachtman wound up adopting in the 1960s were not unrelated to the "third-camp" position he elaborated shortly after leaving the SWP.

The connection is this: if one says that the Soviet Union and similarly structured economies embody a new form of class society, then one must ultimately answer the question: how does such a new social system stand in relation to capitalism? Is it a progressive step, as compared to capitalism? Or is it a step backwards? If the answer is the former, one must defend the Soviet Union and the various other non-capitalist societies against imperialism, because imperialism is constantly threatening them. If, on the other hand, one adopts the latter position, that the Soviet Union represents a historical regression, one is logically obligated to support imperialism against the Soviet Union and its allies. Shachtman for many years shied away from making this choice. But in the end he had to, and he chose the side of U.S. imperialism. His rationale was that workers in the capitalist West at least enjoyed democratic rights, which were denied to their counterparts in the Soviet Union.

The LRP's leader, Sy Landy, received his political apprenticeship from Shachtman and remained within the orbit of Shachtman's organization and its immediate continuator for nearly twenty years. The LRP says that, in hindsight, it would have sided with Cannon against



1917 photo

Sy Landy, LRP leader

Shachtman in the 1940 split in the American Trotskyist movement. But the Russian question was the principal issue in that fight and, like Shachtman, the LRP considers that by 1939 the USSR could no longer be considered a workers state of any type.

The LRP realizes that embracing any "new class" or traditional "state capitalist" position entails revising Trotsky's appraisal of the whole nature of our epoch—and postponing indefinitely the fight for a revolutionary socialist program. The comrades of the LRP want to avoid the dilemmas of traditional third-campism, but not at the price of abandoning their historic attachment to it. So instead they attempt to reconcile these conflicting imperatives by asserting that the Soviet Union is "capitalist." We can understand why the LRP, which is, after all, subjectively revolutionary, would like to distance itself from the political logic of the third camp. The impulse to depart from a road that leads straight into the arms of Albert Shanker and the CIA, is a healthy one. But the LRPers can never break from Shachtmanism without embracing the Soviet defensism which their progenitors renounced fifty years ago.

This ambivalence toward their own roots explains the many contradictions in the LRP's writings on the Russian question. Among these contradictions is the LRP's attitude toward insurgent petty-bourgeois movements which threaten to overthrow capitalist property relations in the third world. In the New York debate, Dahl argued that Stalinism is analogous to fascism, not merely in the methods of its political apparatus, but in terms of the operation of the social system over which it presides: "Most of the pseudo-Marxist arguments that the Soviet Union is non-capitalist would apply equally well to the private economy of Hitler's Germany." At the same time, the LRP has taken a defensist position toward the Nicaraguan Sandinistas (who are armed and equipped by the Soviets) against the American-funded contras. Indeed the LRP has criticized the Sandinistas for failing to expropriate the Nicaraguan bourgeoisie. But the LRP cannot explain why it makes such a call if the result (a "statified capitalist" society along the lines of Cuba or Vietnam) is going to have "close similarities" to fascism.

The October Revolution was an event so important

that, despite the profound degeneration which the Soviet state has undergone and six decades of endless Stalinist betrayal, it continues to shape the world in which we live. You cannot be wrong on the Russian question and be right on the vital political questions which confront the international workers movement today.

We reprint below an edited version of the main presentation for the BT by Jim Cullen:

When I was a New Leftist in the 1960s, I thought that the so-called Russian question was of interest only to old CPers and hopeless sectarians. The conventional wisdom among us at the time was that the U.S. and the USSR were the world's two great superpowers; their mutual hostilities were far outweighed by their joint interest in maintaining the international status quo; the Cold War was a thing of the past and detente was here to stay. The main political conflict in the world was not between the U.S. and the USSR, but rather between various national liberation struggles on the one hand, and the two superpowers on the other.

This attitude could not survive the next decade, however—at least not in the mind of anyone who thought seriously about world politics. By 1978 Carter was rattling the American nuclear saber at the Soviet Union. By the time Reagan came to office, Carter's anti-Soviet fulminations had grown into a full-fledged crusade. Against this background, only the willfully blind could continue to belittle the importance of the Russian question. The second Cold War demonstrated beyond a doubt that the conflict between the USSR and the capitalist powers is still, in the 1980s, as much a central axis of world politics as it was in 1948 or '58. To deny this, as many leftists and "Marxists" still attempt to do, is to deny what is obvious to anyone who reads the newspapers or watches TV.

Today the conflict between the USSR and the West is a little more muted than it was seven or eight years ago. This is because Mikhail Gorbachev has surrendered to U.S. imperialism on one international front after another—from Afghanistan to Angola to Kampuchea. These retreats are being carried out in the service of the economic reforms, known under the collective head of perestroika. By cutting "costly foreign commitments" and placating imperialism, the current Soviet leadership hopes to concentrate greater resources and energy on what it considers its main task: the modernization of the flagging domestic economy. To this end, Gorbachev intends to introduce a series of economic reforms which will give greater scope to the market. There has even been talk of issuing shares in certain state enterprises and opening a stock market in Moscow, but this is only in the talking stage.

While not in and of themselves a restoration of capitalism, these measures only give aid and comfort to those within and outside the Soviet bureaucracy who desire to move in that direction. So, once again, events might seem to argue on the side of those who would stress the similarity or gradual convergence between the capitalist and Eastern bloc economies. Yet such a con-

clusion is possible only on the basis of the most superficial reading of events.

Of course, all the so-called opinion-makers in the West agree with Gorbachev that increasing the role of market forces in the economy will provide the magic answer to all the Soviet Union's problems. And to read the American press, one would get the impression that the Gorbachev reforms are wildly popular with the Soviet masses. But, just occasionally, we receive reports that hardline bureaucrats are not the only source of opposition.

We all know that China is several steps ahead of the USSR on the road to take-the-money-and-run "socialism." Yet a couple of months ago we read that the Chinese government is significantly slowing the pace of its reforms. Why? Not because a few bureaucrats in the planning ministries were becoming disgruntled, but rather because the higher prices, increased inequality and ruthless profiteering spawned by these reforms had given rise to massive popular resentment against the regime, particularly in the cities.

And even the *New York Times* lets slip an occasional hint that a similar popular opposition to perestroika may be forming inside the USSR. For instance, Boris Kagarlitsky, a spokesperson for the newly arisen socialist clubs, writes:

"Naturally, conservative Western experts approve of these ideas [the economic reforms]. But should we in the Soviet Union approve of them? Letters to newspapers, occasional public opinion surveys and conflicts arising here and there provide evidence of public resistance.

"Workers are understandably apprehensive that propagandists of 'free competition' simply want to force them to work harder for their former salaries. This may not worry the scientific and managerial elite, protected by its privileges. But perestroika for the elite may contradict perestroika for the people."

Or consider the following from the 10 May 1988 issue of the *New York Times*:

"Mr. Gorbachev's economists (says the reporter, in an article dealing with the problems of perestroika) tell him that if he is to lift this backward country to a modern standard of living and make it competitive in the world, the Soviet Union will have to begin loosening the safety net of cheap prices, job guarantees and cradle-to-grave entitlements that stifle initiative.

"In principle, Mr. Gorbachev agrees. He argues that people should be rewarded for their work and for their initiative, not for simply showing up—and that society should not coddle those who refuse to pull their weight.

"But the ruthlessness of the marketplace violates the sense of justice and equality reinforced by 70 years of Soviet rule."

The above snippets tell us something very important about the Soviet Union and China. They tell us that Russian and Chinese workers, unlike their Western counterparts, are possessed of the curious idea that they are alive not on sufferance of the rich and powerful, but by right. This belief, peculiar as it may seem in this country after eight years of Reagan, is not an illusion; it is based upon an economic reality: the reality is that in the USSR, China, Eastern Europe and Cuba, the means of production are

not privately owned, but are the property of the state, which regulates the economy by means of a plan.

The reality is further that bureaucrats entrusted with the formulation and execution of the plan, no matter how incompetent, no matter how much they may abuse their authority, must still, as a matter of necessity, provide for the basic needs of the population. Thus the Soviet economy is in at least some sense based on the principle that human need, not private profit or the anarchic forces of the market, are the proper foundations of economic life.

This principle of planning stands at the core of the economies of the Soviet type. This is why they are resistant to all attempts at the gradual reimposition of capitalism, which will never occur without violent social upheaval. It is also the existence of this planned economy that continues to make the Soviet Union the object of the unrelenting hostility of the capitalist powers. This non-capitalist foundation of the Soviet economy is what we of the Bolshevik Tendency consider worthy of defense. We affirm, contrary to the prevailing wisdom of Reaganites, Thatcherites and Gorbachevites that the Russian and Chinese workers' belief that they have a right to be alive is a good thing, and that the economic conditions that sustain such a belief are to be preserved and not discarded; that the inertia that today afflicts the Soviet Union is the result of the bureaucratic mismanagement and not the principle of planned economy itself; that the introduction of the "free market" is not the answer; that the Soviet worker, when restored to his rightful place as master of the country, will be capable of working efficiently and responsibly without hunger at his back or dollar signs in his eyes. If we did not believe these things, we would cease to be socialists.

Important theoretical problems arise, however, when we begin to consider the "class character" of the Soviet Union and societies of similar nature. According to the classical Marxist tradition, the only class of modern society capable of overthrowing capitalism is the working class. Once the working class had triumphed over the bourgeoisie, according to the classical scenario, it would bring the economy under its democratic, collective rule. Yet the twentieth century has effected at least a temporary disjunction between collectivized property and the political rule of the working class. Although, as we will argue, socialized property exists in the Soviet Union, no one but the most willfully deluded Communist Party hack will claim that the Russian workers exercise political power. All the decisions about the economy—as well as every other public matter—are made by an insular group of party and state bureaucrats who guard their privileges and power with an iron hand. How do we characterize this bureaucratic stratum and the society over which it presides?

Leon Trotsky, as most of you know, insisted to the end of his life that Russia remained a workers state despite the fact that the workers were disenfranchised. In what sense, according to Trotsky, was Russia still a workers state, albeit a degenerated one? Trotsky argued that, although the Stalinists crushed the workers politically, and physically liquidated the revolutionary cadres who remained loyal to the ideals of the revolution, there was

one conquest of the October Revolution they could not so easily do away with: the economic foundations of the Soviet state, i.e., state ownership of the means of production and exchange and state control of foreign trade.

These institutions were the basis not only for the democratic rule of the workers in the early years of the revolution, but also for the rule of the Stalinist usurpers. This is why even the Stalinists are at times forced to defend those economic foundations from capitalist forces. But Trotsky argued that the methods used by the Stalinists in defense of the Soviet Union are inherently inadequate. The Soviet power could only be saved in the last analysis by a broadening of workers democracy and a further unfolding of the international revolution. Precisely because the bureaucracy could only consolidate its rule by undermining proletarian democracy and strangling world revolution, it would prove incapable of defending the Soviet Union in the long run. The Stalinist bureaucracy was therefore an inherently unstable social formation, with no independent historical role to play. It would either be overthrown by the international bourgeoisie, or by the Russian workers. If the second, optimistic variant came to pass, then Stalinism, in Trotsky's words, would be remembered as nothing more than an "abhorrent relapse" on the road to socialism. Trotsky thought that, in this regard, World War II would provide the decisive test.

Well, the relapse has undeniably been a little more drawn out than any of us would like. World War II did not prove to be as decisive a test as Trotsky thought it would. The Stalinist bureaucracy was not overthrown either by Hitler or the Russian workers. Furthermore, the postwar period saw the extension of regimes similar to Stalin's Russia to new parts of the world. These latter developments posed a host of theoretical problems for Trotsky's followers. Trotsky had of course, assumed that the proletariat was the only social class that could bring into being collectivized ownership. But not only were the new Soviet-style states of the postwar period not run by the workers, the working class played almost no part in creating them. They were brought about either by the intervention of Russian tanks, as in most of Eastern Europe, or by the triumph of peasant-based armies led by the Stalinists, as in China and Yugoslavia. By what logic could they still be called workers states?

These postwar developments also raised an equally significant and related question. Assuming that collectivized property could be brought about by non-proletarian forces, was it not necessary to reassess the entire Marxist tradition regarding the revolutionary role of the proletariat? Had not the Soviet bureaucracy and various third-world peasant leaders proven themselves adequate to the historical task that Marxists had always assigned to the working class? Those who answered these questions in the affirmative came to comprise a trend called Pabloism. (The comrades of the LRP accuse us of being Pabloists, an accusation we of course reject.) These are the questions that perplexed Trotsky's followers in the aftermath of the Second World War and continue to confound many self-proclaimed Trotskyists today.

If we claim to be orthodox Trotskyists (as opposed to

Pabloists), it is not because we deny the existence of the problems posed by postwar developments, or because we think that Trotsky's writings contain the answers to all the difficulties that have arisen in the half century since his death. We are orthodox though, in the sense that we think that Trotsky's *essential* appraisal of the Stalinist bureaucracy and its significance in world history has stood the test of time, in broad outline if not in detail.

We begin with the facts. In the USSR, Eastern Europe, China, Vietnam and Cuba, the bourgeoisie has been expropriated and vanquished as a class. I have already spoken of the undoubted benefits that the masses derive from these new property forms that have replaced capitalist ownership. But the larger question for Marxists, I think, is what do these societies signify historically, to what kind of human future do they point? We contend that these societies, in a partial, fragmentary and distorted way embody significant elements of the socialist future. And I think this argument can be made without falling into any Pabloist trap.

It is true that most of the states to which we refer were created without the active intervention of the working class. But the proper question to ask is not whether they have come into being through a workers revolution *in the past*, but whether they are capable of surviving without being brought under the democratic control of the working class *in the future*. And, despite the fact that the Stalinist bureaucracy has lasted a lot longer in Russia than Trotsky thought it would, we would still argue that the collectivized property over which the Stalinists preside is inherently unstable and insecure under their tutelage; that, to secure a solid foundation for itself, collectivized property must be complemented by the democratic rule of the working class in the state. Workers democracy, in other words, is not a pious wish on the part of Trotskyists, but a practical necessity for the survival of collectivized property. Whatever future collectivized property has, is intimately linked to the ability of the working class to make a political revolution and bring these economies under its control. In this sense, these societies can be said to be *deformed workers states* (with the exception of the Soviet Union, which remains a degenerated workers state).

I think that this way of looking at the problem highlights both the undoubted achievements, but also the limitations, of the societies in which collectivized property prevails. Most are underdeveloped countries. By driving out the old ruling classes and laying hands on the main levers of the economy, the ruling bureaucracies have been able to eliminate some of the most hideous injustices and effects of material backwardness. There have been vast improvements in health care, housing, literacy and the status of women. But these backward countries have not been able, on their own, to achieve the level of material abundance possessed by the West, which is the prerequisite for socialism. Indeed, although far behind the West, they are subject to its constant military and economic pressure. They may have the capacity to withstand this pressure temporarily; but in the long run, their only hope lies in the conquest of the West for socialism.

It is precisely on the road to international revolution

that the various Stalinist bureaucracies stand as obstacles, and must be swept aside in a political revolution of the working class armed with the internationalism that inspired the Petrograd workers in 1917. But this cannot happen without preserving the gains already made—chief among them the social ownership of the means of production. The preservation of this conquest in turn demands the unconditional defense of these states against imperialism. This is the essence of the position Trotsky incorporated into the program of the Fourth International, and the one we uphold today.

I would like to turn now to the position of our opponents in this debate, the League for the Revolutionary Party (LRP). And by way of introduction, I would like to recall an instructive episode in the history of the Trotskyist movement. For a number of decades, the ostensibly orthodox wing of the Trotskyist movement was headed by a Briton named Gerry Healy. Round about 1961 and 1962, events confronted our man Gerry with something of a theoretical dilemma. The events of which I speak are known under the general heading of the Cuban Revolution. Castro had just seized power in Havana and nationalized the major means of production. Any ordinary person looking at these developments would conclude that a social revolution had just occurred on that Caribbean island. But Gerry had a problem. You see, Castro and the guerrillas he led were neither Trotskyists nor Stalinists. In fact, they were not part of the workers movement at all, but rather radical petty-bourgeois nationalists. Gerry's problem was that, according to Trotsky and the good old books, petty-bourgeois democrats were not supposed to lead social revolutions. How to account for this turn of events?

Comrade Healy, no doubt after much profound theoretical meditation, hit upon a solution which was extremely elegant in its simplicity. According to Healy, no revolution had taken place in Cuba at all. It simply remained a capitalist country, as it had before Castro rode into Havana. The fact that the Cuban bourgeoisie, now resident in Miami, might have a different opinion didn't seem to perturb Comrade Healy in the least. With this masterful application of the "dialectic," Trotsky remained untroubled in his theoretical ether and all was right with the world.

I mention this episode in order to illustrate a phenomenon that has become all too familiar in the ostensible Trotskyist movement. I call it explanation by denial. The method is really very simple. When confronted by a phenomenon in the real world that presents any challenge to your theory, deny the existence of the phenomenon. In this way, the theoretical problem also ceases to perplex.

But alas, Gerry Healy has no monopoly on explanation by denial. It has, in fact, been carried to new and previously unscaled heights by the comrades of the LRP. According to them, not only was there no social revolution in Cuba but no non-capitalist regime exists anywhere on the face of the earth. They say that Russia reverted to capitalism long ago, and that no social revolutions have ever taken place since then.

Now when we hear the claim that the Soviet Union is capitalist, some of us may think of the work of Tony Cliff,



Viet Cong unit crossing river, 1966

who argued nearly forty years ago that the Soviet Union represents a distinct type of capitalism—state capitalism—in which the means of production are owned by the state. But the LRP will have no truck with this ordinary state-capitalist theorizing. They rather claim to possess an absolutely unique, totally unprecedented, completely unparalleled theory whereby they are able to deduce that the Soviet Union represents not even capitalism of any special type, but rather, a perfectly ordinary, garden variety, competitive capitalism. At most they will allow that certain economic survivals of the October Revolution place obstacles in the path of Russian capitalism. But, since no workers revolutions took place outside Russia, then Eastern Europe, China and Cuba are completely run-of-the-treadmill capitalist societies. And they are all, we are further told, governed by the law of value.

Most people I know associate capitalism with such phenomena as the private ownership of the means of production, i.e., the existence of capitalists, and the competition among them for markets and profits. And most people I know also believe, whatever else they may think of the Soviet Union, that none of these things exist there in any major or important way. This is certainly what Ronald Reagan and Margaret Thatcher think, to name just a couple of people. Now we may all be deluded by false appearances. But it would seem incumbent upon anyone making an assertion so radically at variance with all received opinion and apparent evidence, to come up with some pretty strong arguments in support of such an assertion. The burden of proof would seem to rest on them.

Well, the LRP has written quite copiously on the subject of capitalism in the USSR. The articles on this subject have even been compiled into a separate pamphlet. Yet I challenge you to find a single argument in support of its main contention: the existence of capitalism in the Soviet Union. The LRP may write quite a bit about the advantages of believing that capitalism exists in the USSR,

what theoretical, political and moral dilemmas are to be avoided by postulating its existence, why other theories of the Soviet economy are inadequate, or about the nuances and complexities of the workings of the law of value. But in support of the main contention—upon which all these other secondary points must rise or fall—not a single, solitary grain of argumentation is to be found.

Instead, we get a mass of rather bizarre and contradictory assertions that seem to go something like this: as a result of the Russian Revolution, industry and banking in the Soviet Union were nationalized and foreign trade brought under state control. But, sometime in the mid to late 1930s, the Stalinist bureaucracy stole nationalized property, turned it against the working class and proceeded to restore capitalism.

First, it should be noted that this is quite simply a bald assertion, and not an argument from historical evidence or anything else. Secondly, the LRP never quite tells us *how* the Stalinists restored capitalism. Did they denationalize state property? If so, when? And how come nobody other than the LRP seemed to notice this? Social revolutions and counterrevolutions usually tend to be a little more conspicuous. If, on the other hand, the LRP is claiming that the Stalinists restored capitalism without reestablishing private property in the means of production, this reduces itself to the absurd notion of capitalism without capitalist property or a capitalist class.

For the rest, the comrades of the LRP seem to be convinced that by juxtaposing the words "Soviet Union" and the word "capitalism" on the printed page often enough and in as many contexts as possible, the conviction that the Soviet Union is capitalist will somehow follow. Fortunately, there is a real world against which we can judge various theories and determine their practical consequences. In one small corner of that world—Nicaragua—the Sandinistas have spent the past decade under seige by U.S. imperialism for the crime of having smashed a U.S. client state. The Sandinistas have attempted to straddle the class divide. But what if they had taken one defensive course open to them and expropriated the Nicaraguan bourgeoisie and nationalized the major farms and factories of that country and driven what remains of the native bourgeoisie to Miami along with the gusanos? What would be the attitude of the LRP toward such an act? According to the LRP, it would make no difference whether the means of production remain in the hands of private owners or are taken over by the state. Both modes of ownership are for them equally capitalist.

The LRP has the same problem with all of the defeats for imperialism that have occurred in the last forty years. The Chinese revolution, deformed as it was, placed a vast market and pool of exploitable labor beyond the reach of capital. This is what was at stake in the Vietnam War as well. We all know that the U.S. rulers couldn't have cared less about "freedom" for the Vietnamese, but were vitally concerned that no one anywhere be allowed to make a social revolution against imperialism. Yet, according to the LRP, the entire counterrevolutionary war waged by the U.S. and its Vietnamese puppets, like that of the U.S.-bankrolled Kuomintang in China, the imperialist "United Nations" in Korea and the gusanos at the Bay of



1941: Soviet Army resists Nazi attack—LRP neutral

Pigs, were the result of an unfortunate misunderstanding on imperialism's part. Had the imperialists heeded the counsels of the LRP, they would have been apprised that all these perceived foes were really friends in disguise—and had no other aim but to establish a slightly modified form of capitalism.

The imperialists were routed in Vietnam. This, in our view, was a victory for the oppressed and exploited of the earth just as it was a defeat for the exploiters. And it was because of this victory—deformed as it was by Stalinist leadership—that the Ford administration could not intervene in Angola in 1976, and why Ronald Reagan, for all his bluster, will leave office without having toppled the Sandinistas. And for the oppressed of the world, the example of the imperialist defeat in Indochina gave impetus to other forces struggling against neo-colonial rule—from the Sandinistas to the New People's Army of the Philippines. We are thankful that the American Century met a premature death in the jungles of Vietnam. But, according to the comrades of the LRP, this gigantic event was merely a petty wrangle within the framework of international capitalist rule. And, once again, they are, or logically should be, neutral.

We are not neutral. We are convinced that, behind all the danger and the bloodshed of the "East-West" conflict during that part of the century through which most of us have lived, there stands an issue of very great moment to the working class: whether or not humanity is to continue along the capitalist road. And in this struggle, we take a side: the side of all those forces who have broken or are trying to break the rule of capital. In these struggles, the LRP has no side. All the differences between ourselves and the LRP on the Russian question ultimately boil down to this. ■

Tony Cliff's Family Tree

The largest "state capitalist" group claiming some connection to Trotskyism is the British-based Socialist Workers Party (SWP/B) headed by Tony Cliff. The founders of the SWP/B deserted the Trotskyist movement in the early 1950s under the pressure of the rabid anti-communist hysteria generated at the time of the Korean War. Cliff "discovered" that the Soviet Union was "capitalist" and therefore refused to defend the North Korean deformed workers state (which like China, North Vietnam, etc., was also supposedly "state capitalist") against U.S. imperialism and its allies. Fifteen years later, when U.S. imperialism attacked Vietnam, the Cliffites (who considered North Vietnam to be equally "capitalist") wasted no time in hopping on the Vietnam solidarity bandwagon. As Trotsky remarked, opportunists are always acutely sensitive to which way the wind is blowing.

Cliff's "theory" of state capitalism is at least as contradictory as the positions taken by his group. In his major work on the subject, *State Capitalism in Russia*, Cliff concedes that, in the USSR, the law of value does not govern production, that the means of production and labor power are not commodities, and that there are no cyclical crises of overproduction—all characteristic features of a capitalist economy. Nevertheless, Cliff and his followers argue that the USSR is "capitalist" because of a drive to "accumulate" industrial capacity and the necessity to "compete" militarily with the West.

While the Cliffites occasionally pay lip service to the struggle of the Left Opposition against Stalinism in the 1920s, their critique of Soviet "state capitalism" is far closer to Bukharin's Right Opposition within the Soviet Communist Party after the death of Lenin. During the 1920s, the Left Opposition, led by Trotsky, denounced the Stalin/Bukharin leadership's promotion of rural petty capitalism as the road to socialism "at a snail's pace," and advocated instead a program of industrialization to be financed primarily by transfers from the upper layers of the peasantry (cf. the 1927 "Platform of the Opposition").

After destroying the Left Opposition, in 1928 Stalin turned on his erstwhile partner, Bukharin, and launched, albeit in a crude and brutal fashion, a bureaucratic version of the industrialization advocated by Trotsky and Evgeny Preobrazhensky. Trotsky said, "The success of the Soviet Union in industrial development is acquiring global historical significance" which, despite the irrationalities of bureaucratic commandism, "provides practical proof of the immense possibilities inherent in socialist economic methods" ("Economic Recklessness and its Perils," 1930). For Cliff, the introduction of the first Five Year Plan, and the beginning of Soviet industrialization in 1928, marked the beginning of "state capitalism" in Russia.

In 1985, Michael Haynes, a contributor to *International Socialism*, theoretical organ of the SWP/B, wrote a book entitled *Nikolai Bukharin & the Transition from Capitalism*

to Socialism in which the Cliffites' debt to the Right Opposition is unambiguous. Haynes asserts: "Bukharin's internal policy would seem to fit in far more closely with a policy of permanent revolution than that of the [Left] opposition and, in particular, Preobrazhensky...." For Cliff, Haynes et al., "The real question that was posed



Nikolai Bukharin

was whether sustained accumulation could occur without necessarily reproducing the social organisation and classes appropriate to it—namely, capitalist forms." Their answer is a resounding "no."

In a letter in the July/August issue of *Socialist Worker Review*, the SWP/B's monthly magazine, Haynes comments, "too often we give the impression that we think an

analysis of state capitalism can simply be tacked onto what the left opposition in general and Trotsky in particular argued." He concludes: "It will be our tragedy if we do not confront the degeneration and are not more bold in drawing out the strengths of our own analysis and the corresponding weaknesses of the arguments made by Trotsky and the left opposition." Paul Kellogg of Cliff's Canadian affiliate responded to Haynes the next month, conceding that Trotsky's program for the Soviet Union had indeed been wrong, but asserting that his international policies, at least, were superior to Bukharin's.

In fact the domestic and international policies of the Left Opposition were inextricably interconnected. The "Platform of the Opposition" argued: "Firm rejection of the theory of an isolated socialist economy would mean, even in the next few years, an incomparably more rational use of our resources, a swifter industrialization, and an increasingly well-planned and powerful growth of our own machine industry." The industrialization proposed by the Left Opposition was designed to increase the weight of the proletariat within Soviet society and arrest the growth of pro-capitalist kulak elements among the peasantry and their urban counterparts, the petty-capitalist NEPmen. It was also aimed at strengthening the isolated Soviet workers state militarily in preparation for the inevitable imperialist assault.

Haynes is right about one thing: there is a fundamental disjuncture between Cliff's "International Socialism" current and the Trotskyist movement—and it goes right back to the 1920s. The politics of the Cliff tendency are alien to everything that the Left Opposition stood for. We welcome the fact that at least some of the elements of the opportunist, "third camp" swamp are prepared to make this explicit. ■

Perestroika

continued from page 2

sacrifice, struggle and deprivation they have endured for so long must now be acknowledged to have been in vain, that the secular faith that once promised so much now stands revealed to its own adherents as a failure."

This dancing at communism's presumed wake is balanced by the Republican right's counsels of "caution" and "restraint," lest the Russian bear only be playing dead. They point out that the Gorbachev reforms are at this stage more rhetoric than reality, and it would therefore be "premature" to relax military and economic pressure on the Soviet Union. Yet, despite tactical differences, all wings of bourgeois opinion agree that the changes now underway in the USSR, the Eastern bloc and China represent a radical departure from the past and an occasion for renewed optimism.

Much of the ostensibly-Trotskyist left, with its penchant for seeing the "progressive" side of everything that occurs, has tended to emphasize the blossoming of political expression and the exoneration of Stalin's victims, including the "partial rehabilitation" of the members of the Left Opposition, that has taken place under the banner of glasnost. These developments (which include a promise to publish the works of Leon Trotsky) do indeed go some distance toward raising the curtain of Stalinist falsification of Soviet history, and present real opportunities for Trotskyists. Only the blind, however, can fail to detect, in the recent "new thinking" the reactionary implications which have generated such enthusiasm in the camp of the class enemy.

Perestroika's Foreign Policy: Conciliation and Capitulation

On 7 January, the *New York Times* published a translation of a feature article which appeared in the summer 1988 issue of *International Affairs*, the official publication of the Soviet Foreign Ministry. It was reportedly approved by Eduard A. Shevardnadze, the Soviet Foreign Minister, and can hence be taken as a reflection of the views of Gorbachev himself. The author, one Andrey V. Kozyrev, opines:

"By pursuing the logic of anti-imperialist struggle, we allowed ourselves—contrary to the interests of our fatherland—to be drawn into the arms race, and helped to introduce the 'enemy image' and to set up technological and cultural barriers between the Soviet Union and the United States."

Kozyrev continues:

"If, however, one takes a look at the United States monopolist bourgeoisie as a whole, very few of its groups, and none of the main ones, are connected with militarism. There is no longer any need to talk, for instance, about a military struggle for markets or raw materials, or for the division and redivision of the world.

"None of the classes or strata of Soviet society is subject to exploitation from foreign capital, and thus none of them can solve the fundamental problems facing it by means of a 'struggle against imperialism.' There is only



Peter Turnley/Newweek

Castro and patron in Havana

one way to do this—the internal revolutionary renewal of socialism, including the elimination of anachronistic ideas about the world as an arena for the 'international class battle.'

"It is all the more strange to talk about the irreconcilable interests of states with different social systems now that even the class conflicts within capitalist countries largely take place through the achievement of compromise within a mutually accepted legal framework rather than in the form of harsh confrontation. It follows that the Soviet workers' solidarity with their class brothers in the West far from justifies the thesis of global class confrontation.

"The myth that the class interests of socialist and developing countries coincide in resisting imperialism does not hold up to criticism at all. The majority of developing countries already adhere to or tend toward the Western model of development and they suffer not so much from capitalism as from the lack of it...."

Kozyrev's operational conclusions are that the attempts of Soviet-backed third-world countries:

"to manage their economies by means of an administrative system, their reliance on military aid from abroad and their disregard for democratic freedoms inevitably led to the polarization of political forces. Virtually all of these regimes have been drawn into protracted conflicts with an opposition that in turn depends on outside support....

...

"Our direct and indirect involvement in regional conflicts leads to colossal losses by increasing general international tension, justifying the arms race and hindering the establishment of mutually advantageous ties with the West."

If, as Kozyrev claims, very few groups among the "monopolist bourgeoisie" are connected with militarism,

how does he explain the fact that the United States under Reagan launched the largest military buildup in its history? Was it because certain third world peoples, unaware of the shining future that awaits them under the beneficent tutelage of the imperialists, threaten to commit the unspeakable folly of making revolution? Or perhaps it was because certain misguided Soviet leaders were foolish enough in the past to provoke the wrath of American imperialism by offering military and economic support to regimes like Cuba and Vietnam which had uprooted capitalism? According to Kozyrev's logic, it is the Soviet Union and insurgent neocolonial peoples who are responsible for the Cold War and the arms race. This unhappy state of affairs can be ended by giving up the fight. The implication of Kozyrev's argument is that anyone who refuses to follow this simple prescription for world peace should not count on any support from the USSR in the future.

Fidel Castro, one of the few Stalinist heads of state to have openly expressed reservations about Moscow's present course, commented, "There are two kinds of survival and two kinds of peace....The survival of the rich and the survival of the poor; the peace of the rich and the peace of the poor." The differences between Havana and Moscow were evident during Gorbachev's visit to Cuba this spring. In an April 4 speech to the Cuban National Assembly, with Gorbachev in attendance, Castro made it clear that perestroika does not apply in Cuba. In reference to the new thinking sweeping the USSR and Eastern Europe, he observed, "If a socialist country wants to construct capitalism, we have to respect its right to construct capitalism." Castro's project of constructing "socialism" on one island is heavily dependent on Soviet largess and it remains to be seen whether he will remain so outspoken should his Soviet patron threaten to curtail its \$14 million-a-day subsidy to the Cuban economy.

Stalinism and Capitalist Restoration

The Moscow bureaucrats are being outdone in praise of capitalism only by their counterparts in Beijing. There, the talk runs openly to the restoration of private property in the means of production. Three leading economists, all Communist Party members in senior positions at government institutions, have proposed to Zhao Ziyang, a leading "reformer" and General Secretary of the Communist Party, that ownership of state companies be transferred to shareholders that would include universities, local governments and *private individuals*. Hua Sheng, the most prominent of the three, avers, "The problem with many socialist reforms is that they try to reduce government intervention without creating an owner for each company. And every enterprise needs an owner." According to the 10 January *New York Times*:



Herman Kokojan-Black Star

American Imperialism: Irreconcilable foe of USSR

"Mr. Hua said a new definition of socialism is needed, focusing on broad issues of social justice like equality of opportunity, instead of on public ownership of the means of production. Mr. Hua asserted that while Marx was generally correct in the field of politics, he erred in economics by opposing private property."

Pronouncements like the above should be taken with a healthy measure of skepticism. Collectivized ownership of the means of production is deeply embedded in the social life of the degenerated/deformed workers states, and can be abolished only as a result of violent social counterrevolution, not by mere declarations of intent from government offices. In both China and the Soviet Union, the current economic reforms are running into resistance not only from entrenched layers of the party and state apparatus, but also from millions of workers who correctly perceive in them a threat to the relative material security they have long enjoyed under the planned economy.

Nicholas Kristof, *New York Times* correspondent in Beijing, reported on 6 April, "'Reform' initially meant a color television, a red bicycle and pork for dinner. Now many people worry that it means more bribes, higher prices or even layoffs." He lamented, "Most Chinese seemed to regard the market as a cozy place of prosperity, not a source of pain," and referred to the worries of a Western diplomat that the mass layoffs necessary to "smash the iron rice bowl," could spark "severe wildcat strikes and social unrest."

The Chinese government is alarmed by massive popular discontent with growing unemployment, widespread corruption, bank runs, hoarding, speculative buyingsprees and a rate of inflation running over 30 percent. (According to the 5 March *Manchester Guardian Weekly*, a current jingle making the rounds in China goes, "Ten cents was worth a dollar under Chairman Mao; with Deng in charge a dollar is worth ten cents now.") Chinese premier Li Peng, generally identified with the more conservative elements among the ruling bureaucrats, has recently been making noises about tightening

central control over the economy and suspending earlier proposals to "free" retail prices.

The erratic course of China's decade of experimentation with market "reforms" reflects the real social contradictions which exist within all of the deformed and degenerated workers states. It would be a profound error to underestimate the dangers inherent in perestroika. The statements of Hua and Kozyrev, cited above, are not the opinions of isolated dissidents on the outer margins of the intelligentsia. They carry the imprimatur of the top-most political echelons in Moscow and Beijing. From these and other indications too numerous to dismiss, it is clear that elements within the bureaucratic ruling castes of the world's two largest workers states are openly flirting with the idea of capitalist restoration.

Over fifty years ago, Leon Trotsky wrote that the Soviet bureaucracy was a highly unstable social formation which rested upon the economic foundations created by the October Revolution, which it was forced to defend by its own methods against the encroachments of the capitalist world. But Trotsky also warned that the bureaucracy in the long run constituted a grave peril to the revolution's gains, and that whole sections of the Stalinist apparatus could, under different circumstances, come out openly under a restorationist banner. We may now be witnessing the initial stages of just such a process. It is thus of the utmost importance to understand the causes, nature and implications of the turmoil now engulfing those parts of the world outside the capitalist orbit.

Roots of Soviet Economic Deceleration

The sweeping changes now taking place in the degenerated/deformed workers states are fundamentally a response on the part of the Stalinist bureaucracies to the problem of economic stagnation. Since the planned economies of all the deformed workers states are modeled on the Soviet experience, an analysis of the contradictions of the Russian economy provides the key to understanding the current crisis of Stalinism as a whole.

From the end of World War II until the mid-1960s, the Russian masses enjoyed a steadily rising standard of living. By the time Gorbachev assumed office, however, economic growth was stagnating. The average annual growth of Soviet national income, which between 1966 and 1970 was nearly eight percent, fell to 3.6 percent between 1981 and 1985, the period before Gorbachev took charge.

Soviet economic performance under Gorbachev seems, at least for the time being, to have worsened. This is only partly attributable to a poor harvest and a fall in the price of oil (the USSR's chief export to the West) which is estimated to have cost the economy \$8 billion annually in hard currency. The goods and services produced by the 50,000 privately-owned "cooperatives" which have sprung up under perestroika have contributed to a surge in inflation, now estimated to be between six and eight percent. Meanwhile, lineups for necessities have lengthened: "Soviet housewives spend at least the equivalent of a day's work each week standing in queues to do the shopping. Basic goods such as



Tom Netbia-Fovea

Potential victims of Beijing's perestroika

meat, sugar and detergent are often unavailable or rationed" (*Economist*, 11 March).

The impact of the Soviet economy's stagnation has to be gauged against the expectations of a population that, perhaps more than any other in the world, has been nurtured on the idea of social progress. Though the Stalinist notion of "socialism in one country" was a complete perversion of the outlook of the leaders of the Russian Revolution, it undoubtedly exerted a powerful grip over the minds of generations of Soviet workers and peasants. Stalin, even at the height of the purges, did not rule by force alone. The Soviet masses could not have been mobilized to build industry from the ground up, beat back the Nazi invasion, or withstand the rigors of post-war reconstruction without the conviction, harbored in different degrees by various social strata, that they were building a socialist future for themselves and for generations to come. Soviet economic deceleration places a huge question mark over that future.

The "Great Patriotic War" to defeat the Nazi invaders, which had imbued a whole generation with pride, is now receding in the collective memory. Despite the enormous sacrifices of the past, the Soviet economy enters the last decade of the century still far behind its capitalist rivals. Nikita Khrushchev's boast that living standards in the USSR would surpass those in the United States by 1980 is still recalled with bitterness by many Soviet workers. Gorbachev has tried to avoid making the same mistake. Leonid Albakin, director of the Moscow Institute of Economic Studies, "recently warned Soviet citizens that they will have to wait until 1995 for improvements in their frugal living standards" (*Manchester Guardian Weekly*, 12 February). But it is hard to convince workers to make major sacrifices today in exchange for vague promises of future benefits.

The reasons for Soviet economic stagnation are many and complex; the broad outline, however, is clear enough. Having acquired its main industrial infrastructure by copying Western technology during the initial industrialization drive of the 1930s, the Soviet economy until roughly twenty years ago was able to expand at a rapid rate through methods of *extensive growth*, i.e., the quantitative extension of already existing methods and technology. New factories and mines were built, mass housing constructed and fresh tracts of land brought under cultivation using the equipment and techniques developed in the earlier period. The requirement for such expansion was a massive pool of untapped labor in the Soviet countryside. As long as masses of unskilled workers could be thrown into new agricultural and industrial projects, the economy could maintain a certain momentum.

Such extensive methods have their limits in the notoriously low productivity of Soviet labor. The number of products a worker can produce during a normal working day is conditioned both by the level of technology, and the degree of skill and motivation of the workforce. The Soviet Union always lagged behind the West technologically. This deficiency was compounded by the fact that the shocktroops deployed on the economic front were largely drawn from a backward peasant mass, unaccustomed to the rhythms and habits of modern industry.

Low productivity could be compensated for by quantitative growth so long as the labor supply remained abundant: by the 1960s however, the Soviet economy began to run into chronic labor shortages. This was partly due to the success of the industrialization drive which had recruited millions of people from agriculture to industry. The shortages were also exacerbated by a marked decline in the birthrate: the twenty million Soviet citizens who lost their lives to Hitler's war machine left a gap in the following generation, which was coming into the labor force two decades later. To continue to expand and meet the rising expectations of a population more urbanized and sophisticated than ever before, it became urgently necessary to reorient the economy toward *intensive growth*, i.e., to increase the productivity of the existing labor force. But it is precisely this goal that eludes the rigid, top-down planning system put in place during the Stalin era.

Bureaucratic Planning: Collective Irresponsibility

The problem is not primarily a technical one. It can only be understood in the context of the larger contradictions of Soviet society. The one great enduring achievement of the October Revolution is to have freed the Soviet working class from the constant fear of unemployment and destitution that drives its Western counterpart. But life is more than a guaranteed living. For workers to attain the high level of competence and responsibility required for the optimal functioning of a planned economy, they must be assured of a dignified material existence and motivated by the knowledge that their individual efforts can contribute to the improvement of society as a whole. Today's Soviet worker lacks both these prereq-

uisites. While basic wages will buy the essentials, a second job or trade in the black and gray markets is necessary to obtain many of the things that make life comfortable and enjoyable.

All initiative and control, in both political and economic spheres, is monopolized by a bureaucratic apparatus. The workers are demoralized by the incompetence and cynicism of the materially-privileged parasites who have arrogated all decision-making. The Soviet masses are also well aware that the *nomenklatura* will benefit disproportionately from any improvements in economic performance. Deprived of any means of influencing the nature or contents of their work, Soviet workers cannot but be profoundly indifferent to its results, and seek to do as little as possible in return for their wages. The widespread alcoholism and absenteeism which the rulers decry are but symptoms of increasing apathy.

This attitude of passivity is not limited to the working class, but pervades all layers of the bureaucracy. Consider the Soviet factory manager, who occupies an intermediate position between the workers and the upper echelons of the ruling elite. On the one hand, he seeks to rise through the bureaucratic ranks by fulfilling or overfulfilling the plan targets handed down by his superiors. Success in this endeavor give him greater access to the dachas, special hard-currency shops and limousines, beyond the reach of the average citizen. On the other hand, he is severely constrained in his ability to impose discipline on the workers under his authority. The days when workers could be sent to concentration camps or shot for minor infractions of the labor code are gone. Neither can the manager resort to layoffs or firing. Unlike in the Stalin era, the Soviet workers are free to choose their place of employment, and can go elsewhere if their bosses are too demanding. Since labor is in short supply, the manager is reluctant to push his workers too hard for fear of losing them.

The simplest way for the manager to please his superiors and avoid confrontation with his workforce is to fulfill his quotas in a perfunctory way, and/or falsify production figures. The quotas for each successive production period are based upon the results of the preceding one. It is hence in the manager's interest not to overfulfill his quotas by too much. This ensures that future targets are achievable. Each enterprise has an incentive to overestimate the supply of production goods and raw materials necessary for the coming period. As things stand, these cannot be purchased on the market as the need arises, but must be ordered from the appropriate state ministry at the beginning of each planning cycle. It is easier to avoid future shortages by obtaining large reserves than to conserve supplies by introducing more efficient techniques. The tendency of every enterprise to underestimate capacity and overestimate requirements leads to chronic underutilization of productive forces and wastefulness.

These inefficiencies are compounded by the notoriously poor quality of Soviet products. Planners at the highest levels of the bureaucracy tend to set quantitative production targets. These can most easily be met by the use of uniform, familiar and simple shop-floor tech-

niques. This leads to a built-in bias against innovation. It is much less demanding, for instance, to turn out 10,000 pairs of shoes of a standard design than to produce the same number in a variety of styles.

Such quantitative methods also leave the door open to myriad ways of subverting the plan from below. Where the output of a given product is measured in weight, quotas can most easily be met by selecting the heaviest materials, regardless of the utility of the final result. If output is measured by size, say the square meter, a window factory can most easily meet its quota by producing thinner panes. The fact that they may shatter in the first windstorm is of little concern to the bureaucrat in charge of producing windows.

The irrationalities of Stalinist "planning" give rise to many popular jokes. According to one, a collective farm director triumphantly announces that he has succeeded in breeding a two-headed calf. When it is pointed out that this innovation will not increase the quantity of beef, he replies that this makes no difference, since cattle output is measured by the head!

Drab and unappealing consumer goods are one well-known result of bureaucratized planning. But the full dimensions of the problem become clearer when it is remembered that the Soviet economy is oriented to heavy industry. Most of the industrial plant is geared to turning out equipment for other manufacturing processes. The inferior quality of these goods afflicts Soviet industry with constant bottlenecks and mechanical breakdowns. Repairs and production of spare parts for production goods eat up an uncommonly high proportion of manpower and material resources which, under a more rational system, could be diverted to the production of consumer items.

None of these problems can be solved within the framework of a planning system based on passive obedience to superiors. A worker can be commanded to perform a certain task. But not even the sternest com-

mands can compel him to perform that task conscientiously, efficiently or with enthusiasm. In a healthy workers state, the producers would be motivated by the knowledge that the workers, as a class, are the masters of society. Stalinist rule in the Soviet Union, however, is predicated upon the political expropriation of the working class.

Contradictions of Perestroika

Gorbachev's reforms are aimed at propping up, not abolishing, Stalinist bureaucratic rule. The only spur to productivity available within these parameters is the introduction of elements of capitalist market discipline. While this does not amount to capitalist restoration, it does unleash powerful economic and social forces which militate in that direction and thereby ultimately pose a serious threat to the remaining gains of the October Revolution.

Under the old "administrative" system of management which Gorbachev inherited, detailed plan targets and resource allocations for each firm were determined by the central planning apparatus according to the overall requirements of the national economy, as perceived by the bureaucracy. Perestroika is an attempt to replace "administrative" by "economic" methods. The central planning bureaucracy is supposed to be halved by 1990. Direct central control over enterprises is to be phased out in favor of the "three S's": self-management, self-financing and self-accounting. Each individual economic unit is supposed to decide how and how much to produce (in addition to what is required to fulfil the obligatory "state orders") and generate its reinvestment and wage funds primarily from its own profits. Profits will depend on revenues generated from sales.

The market will serve as the outlet not only for consumer goods, as is already the case; Gorbachev has also announced his intention to allow producers of the means



"The most pressing problem is the gap between purchasing capacity and the supply of goods. Out of 200 groups of products today, 90 percent of them are in short supply....Now the shops are just empty. Anything put on the counter is purchased at once. It's not because production has decreased but because the amount of money that people have has increased sharply, and demand has increased.

...

"We need to reduce food subsidies and let prices rise in order to make agricultural products profitable. Prices on meat, dairy products and bread may have to double. We are ready to do that, with compensation for the people so their standard of living does not decline."

—Abel Aganbegyan, quoted in *Newsweek*, 13 March

of production to trade directly with one another instead of placing their orders, as is now the practice, through central planning ministries. Tying the fortunes of a factory or economic complex directly to market performance will, it is hoped, give workers and managers a direct material stake in increasing output and efficiency.

A key issue which the Kremlin has yet to tackle is the question of consumer price "reforms." Unless each enterprise is free to set its prices, the effects of market "rationalization" will be skewed by the pricing decisions of the planners. On the other hand, in relinquishing the right to determine prices centrally, the bureaucracy gives up a vital lever of economic control.

The current annual disparity between the aggregate price of available consumer goods and the total paid out in wages and salaries is estimated by one of Gorbachev's chief economists, Abel Aganbegyan, at 70 billion rubles (cited in *Soviet Economy*, July-September 1988). This has aggravated the shortage of consumer goods and fueled the parallel (black market) economy. The pent-up demand is reflected in bulging bank accounts. According to V.A. Korostelev of a Kiev planning institute, total cash on deposit in savings banks:

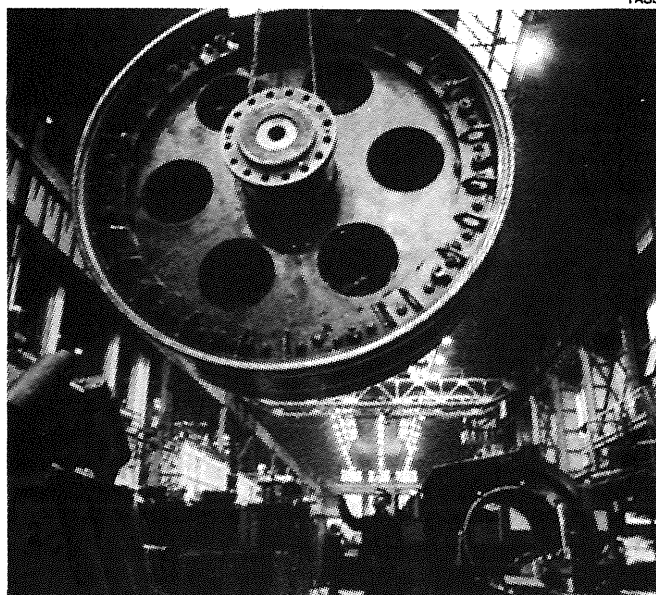
"is growing from year to year: 1983—by 12 billion rubles; 1984—by 15 billion rubles; 1985—by 18.7 billion rubles. For the sake of comparison, we note that deposits in 1965 totaled 18.7 billion rubles, while they now total more than 220 billion rubles."

—*The Soviet Review*, January/February

If the substantial food subsidies were cut and producers of consumer goods allowed to charge what they could get, prices would at least double overnight, creating what the *Economist* called "the sort of inflation that would make *perestroika* go pop." Such an across-the-board assault on the living standards of Soviet workers—particularly pensioners on fixed incomes and those employed in marginally profitable enterprises—is so potentially explosive that the Kremlin bureaucrats have so far preferred to avoid dealing with it. Ed Hewett of the Brookings Institution noted that when "one asks Soviet economists why they do not change consumer prices [their] model is Poland in 1976. They are afraid that if they start changing prices, people will go out and tear up railroad tracks" (*Soviet Economy*, July-September 1988).

Gorbachev's reforms, which have only been very partially implemented to date, pose another unavoidable question: if the fortunes of economic units are to be tied to market performance, what will happen to those firms and enterprises that don't measure up? Unprofitable firms are currently subsidized by the state. In *Gorbachev's Russia*, Basile Kerblay cites an estimate that the withdrawal of such subsidies will mean the loss of no fewer than 15 million jobs in industry, construction and transportation.

The notion that market performance depends solely on the energy and initiative of workers and managers is pure capitalist myth. An enterprise's ability to produce also depends on the means of production already in place, e.g., the productivity of the physical plant. In agriculture the fertility of the soil is another determinant. These factors vary from industry to industry and region



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to region, with newer and more sophisticated means of production, concentrated in the more advanced areas of the country. It is possible for a worker in Uzbekistan, with antiquated machinery, to work harder and more efficiently than his Moscow counterpart and still produce less. Such tendencies toward inequality would be further exacerbated by Gorbachev's proposed relaxation of the state monopoly of foreign trade. If Soviet firms are allowed to trade directly with capitalist countries, the more successful among them will be able to purchase advanced Western technology, thereby widening their advantage over their less solvent competitors.

To the extent that the market prevails, firms and the workers they employ are rewarded according to how well the commodities they produce sell. Each enterprise must therefore constantly speculate on consumer demand, and face the risk of failure should these speculations go awry. This raises the possibility of unsuccessful firms closing and their workers being laid off. Gorbachev stoutly denies that any such consequences are intended. "True," writes Gorbachev in his book, *Perestroika*, "the press carried some proposals which went outside our system. There was an opinion, for instance, that we ought to give up planned economy and sanction unemployment. We cannot permit this, however, since we aim to strengthen socialism, not replace it with a different system."

Market vs. Plan

There is no reason to question the General Secretary's sincerity on this score. The upper echelons of the Soviet bureaucracy are not planning on restoring capitalism. Even if Gorbachev succeeds in implementing his full program, the Soviet state would still possess powerful economic levers that could be used to curtail the more disastrous effects of market competition. First, the state will remain the main client of major industries, and contracts can be awarded on a basis other than profitability. Second, as long as the state sets the prices of industrial and agricultural inputs, it can promote certain

enterprises at the expense of others. Finally, the state will retain control of taxation. Taxes can be structured in such a way as to siphon off the revenue generated by more profitable firms, which can in turn be used to provide easy credit, via state banks, to those that fall behind.

But it is precisely at this point that the Gorbachev reforms, as well as all other attempts at "market socialism," become enmeshed in a contradiction. On the one hand, Gorbachev proposes to establish market profitability as the main economic criterion. He intends, on the other hand, to wield the economic levers of the state to redress inequalities between the more and less profitable firms, to which market competition inevitably gives rise. But are enterprises whose books show a profit today to be prevented, through a combination of price and tax policy, from remaining profitable tomorrow in order to ensure that their less successful rivals survive? It would seem that this aspect of perestroika amounts to little more than replacing the present method of direct subsidization with a system of indirect subsidies. This is tantamount to punishing the winners and rewarding the losers, and introduces into the economy two fundamentally conflicting imperatives.

For the market to operate in any meaningful way, it must act as a regulator of production. Each economic unit must be a producer of commodities and must also determine the extent of its production according to market signals (when supply exceeds demand, the producer cannot realize his investment through sales, and will scale back; when demand exceeds supply, prices rise and act as a stimulus to production). No manager, however, can effectively respond to market exigencies if his workers are insured lifetime jobs at a guaranteed wage, as is largely the case today. The manager must be able to reduce or augment the workforce as the market requires, and must thus possess the right to reduce wages and lay off workers. In short, the market as a regulator of production cannot achieve full coherence unless labor is reduced to the status of another "cost factor," on the same order as machines and raw materials.

The worker, in turn, cannot be treated as another "factor of production" unless there exists, over and against him, an individual or group of individuals whose function is to assess the costs of the various "factors" with a view to the enterprise's profitability. The personal interests of this group must be tied in some way to the enterprise's success. And history has as yet devised no better way to link personal interest to profit than through the institution of private ownership. The market, in short, inevitably leads to a revival of class antagonisms.

Abel Aganbegyan, a leading Gorbachevite brain-truster, argues in *The Economic Challenge of Perestroika* that the market historically existed in many non-capitalist societies, and can thus be used to bolster "socialism" as well. What Aganbegyan "forgets" is that markets existed only on the periphery of pre-capitalist societies, and were concerned mainly with external trade. Once the logic of the market seizes hold of production, it sweeps all before it, and is inevitably accompanied by the class divisions of capitalist society.

The market is not a neutral instrument that can be harnessed in the service of a collectivized economy. While

the market mechanism can be used in a planned economy for the rational allocation of consumer goods, its logic is ultimately antagonistic to a society where production is planned on the basis of human need. Where a collectivized economy governed by the producers fosters in individuals a sense of mutual social responsibility, the market engenders a narrow-minded materialistic egotism, the war of all against all. It is indeed possible, either in the transition period from capitalism to socialism or in the initial stages of capitalist restoration, for market and plan to coexist within the same society, just as it is possible for healthy and cancerous cells to exist for a time within the living organism. This coexistence, however, can never be a peaceful one. In the end, one or the other must prevail.

Mikhail Gorbachev and his cohorts stand firmly poised between the devil and the deep blue sea. The Soviet economy cannot move forward on the basis of the Stalinist planning methods of the past. Gorbachev and Co. think that the selective introduction of elements of the capitalist market is the only way out. But, realizing that certain entrenched bureaucratic interests and, more importantly, tens of millions of Soviet workers, will not give up the planned economy without a fight, they stop short of thinking their program through to its logical conclusions and promise the best of both worlds. These oligarchs imagine they are free to pick and choose among "aspects" of different social systems as one selects canned goods in a supermarket; they have little notion that there are social and economic forces more powerful than the will of even the most puissant of *apparatchiks*. There are however others, both within the Soviet bureaucracy and without, who are much quicker to grasp the long-term, and not so long-term, implications of Gorbachev's proposed changes.

Gorbachev's Social Base

While Gorbachev's promised economic reforms have been slow to materialize, events have been developing more rapidly on the political front. The ruling faction in the Kremlin realizes that an economic shakeup as profound as the one it is proposing cannot simply be decreed from on high. To overcome the resistance that perestroika is encountering from more conservative bureaucratic elements, pressure must be brought to bear from below. To this end, Gorbachev has lifted the restraints on political expression to a degree unprecedented since the consolidation of the rule of the Stalinist faction in the 1920s. Many ill-defined and contradictory political currents have rushed into this newly-created political space. But of all the voices thus far raised, the most distinct is that of Russia's increasingly self-confident managerial, technocratic and intellectual elite, which overlaps with, but is not entirely identical to, the privileged party *nomenklatura*. It is this stratum which provides Gorbachev with his principal social base.

These professional layers feel suffocated by the rigid conformism that the party bureaucracy has imposed for decades on all sectors of society. They demand a wider field for political, cultural and individual expression. This in turn requires greater access to information about



Peter Turnley/Newweek

Lithuanian nationalists in Kaunas celebrate "Independence Day"

their society and the world, past and present. They are far too sophisticated to believe the crude falsifications of Soviet history that Stalin and his heirs concocted to cover up their crimes, or to swallow uncritically the highly controlled and distorted picture of the outside world presented by the official media. While the exercise of this newly granted political freedom can hardly be confined to these elite groupings, it is they, and not the workers, who are currently taking the lead in expressing society's general discontent with bureaucratic rule.

The results of the 26 March elections to the newly-created Chamber of Deputies represent an overwhelming popular repudiation of the still-formidable Brezhnevite holdovers within the party and state apparatus. Disgusted by decades of Stalinist mendacity and exhilarated by the first opportunity to play any role in selecting their leaders, the electorate was apparently willing to vote for anyone who opposed the machine-picked candidates and stood for change. The victors were an assortment of academics, technocrats and out-bureaucrats (personified by Boris Yeltsin, the deposed Moscow party chief), united by no program other than opposition to the status quo and general support for perestroika. Their future trajectory can only be anticipated on the basis of their present social position.

For all their anti-Stalinist inclinations, the professional intelligentsia constitute a privileged social stratum, with concerns far removed from those of the ordinary worker. Their economic aims center on removing all obstacles to their upward mobility. One such obstacle is certainly the tyranny of the *apparatchik*, who, especially during the Brezhnev years, monopolized privileged positions for himself and his cronies, thus barring the way for anyone

seeking recognition on the basis of professional achievement. But an even greater constraint is the planned economy itself, which restricts the professional to the status of a salaried employee of the state. It is therefore not difficult to understand the attraction of these social layers for the ethos of the Western yuppie, who supposedly enjoys personal freedom and social autonomy, as well as unlimited opportunities to amass personal wealth. The Soviet technocratic/managerial elite certainly does not speak with a single political voice. But there can be no doubt that its more right-wing elements are increasingly coming out under the banner of capitalist restoration.

Resurgent Nationalism: Bitter Fruit of Perestroika

This tendency is most pronounced in the Baltic states, which are among the richest and most prosperous of the Soviet Union's constituent national republics. The largest and best organized of these Baltic nationalist movements is the Lithuanian Sajudis. Gorbachev originally supported Sajudis as a counterweight to his political opponents within the local party hierarchy. Only when Sajudis began calling openly for secession from the Soviet Union did Gorbachev withdraw his backing. Sajudis captured 32 out of 42 of the Lithuanian seats in the Congress of Deputies, and threatens to take over Lithuania's national legislature. Opinion within this movement is divided about whether to declare independence immediately or wait for a more favorable opportunity in the future. Vytautas Landsbergis, president of Sajudis and head of its "moderate" wing, says "that if Lithuania is allowed to develop its own experimental economy to shut

down polluting heavy industries, develop private factories and farming, engage in free trade with the West, and create its own monetary system then Lithuania can remain part of a Soviet federation, at least for now" (*New York Times*, 14 March).

Recent developments in Lithuania probably provide the clearest indication of what the process of capitalist restoration would look like. National minorities in the USSR are undoubtedly oppressed by Great Russian chauvinism. But one undeniable advantage of planning is that it allows the central authority to channel national wealth to the less advanced regions of the USSR. Reliance on market forces can only deepen the inequalities between the richer and the poorer Soviet republics. Perestroika is thus leading to a general power-grab on the part of regional bureaucracies.

Buttressed by popular nationalist sentiment, the elites of the richer republics apparently intend to consolidate their positions by breaking away, little by little or all at once, from the central authority. Such a strategy would allow them to keep indigenously generated wealth within their borders and to strike bargains on their own with the capitalist powers. The National Fronts of Latvia and Estonia, with programs similar to Sajudis, also scored victories in the recent elections, and right-nationalist sentiment is beginning to gain ground in the Ukraine, Soviet Armenia, and most recently Georgia, are following in the same direction.

The most sinister political development in recent years is the rapid growth of a fascistic organization called Pamyat, or Memory. Based mainly in the urban centers of Moscow and Leningrad, Pamyat combines a sentimental longing for a return of the Stalin era with the vilest prejudices of Russia's pre-revolutionary past: Great Russian chauvinism, reverence for the czars and the anti-Semitism of the Black Hundreds, the infamous perpetrators of czarist pogroms against the Jews. Pamyat is said to enjoy the covert support of anti-Gorbachev groupings within the bureaucracy. But it is also possible to detect, in Pamyat's reactionary fulminations, the hysterical response of the "little man"—undoubtedly including the most debased elements of the working class—to changes he does not understand, and of which he is frightened to death. This fear and hysteria finds political expression in the yearning for a "strong hand," be it that of a czar or a Stalin, that will end the chaos and reimpose order in society. Such sentiments are the typical stuff of fascist movements, which in periods of social crisis provide the shock troops of reaction, and are the deadliest enemies of the organized working class. The time for the Soviet workers to mobilize to crush the fascistic Pamyat pogromists is now—before they get any stronger.

The Emergence of a Soviet "New Left"

The last word on the political ferment now sweeping the Soviet Union remains to be spoken. The newly-aroused intelligentsia is by no means unanimous in its admiration of capitalism. A minority, represented by the Socialist Clubs (which coalesced in 1988 as the "Popular Front for Perestroika"), remains committed to its own ill-

defined version of Marxism. But while definitely on the left of the pro-perestroika current (Boris Kagarlitsky, a leading figure in the "Popular Front," has voiced numerous criticisms of the anti-working class aspects of reliance on the market mechanism), this current is far removed from the proletarian internationalism that inspired the October Revolution. Most, if not all, of its participants seem inclined to idealize classless "democracy." The more serious and thoughtful elements among the leftist intelligentsia who take advantage of the invaluable opportunities opened up by glasnost to rediscover Bolshevism in its true colors can play a valuable role in reestablishing an authentically Leninist tradition within the Soviet proletariat. But, at the moment, these leftists remain a small minority, quantitatively insignificant in the larger political equation and programmatically amorphous.

By far the most significant factor in determining the shape of things to come is the multi-millioned Soviet proletariat, which has thus far remained quiescent. The working class has the most to lose from the introduction of market discipline. If Gorbachev's economic reforms proceed as projected, large numbers of Soviet workers will be forced into opposition. What political form such opposition may take, however, cannot at this point be predicted with any certainty.

The traditions of the Bolshevik October which created the Soviet state have long been buried beneath a mountain of Stalinist filth. In the absence of a consciously revolutionary leadership, the Russian proletariat is in danger of being manipulated by various bureaucratic factions. A worst-case scenario is that of Poland, where the legitimate resentments of the working class against Stalinist mismanagement were harnessed in the service of clerical reaction. Fortunately, there is no force comparable to the Polish Catholic Church in Russia today. But none of the political forces now dominating the field, from Gorbachevites to the neo-Brezhnevites in the bureaucracy, stand on a program which has anything in common with the historic interests of the working class.

"Socialism in One Country": An Anti-Socialist Dogma

For bourgeois ideologists, a majority of Eastern European and Soviet dissidents, and sizeable sections of the Western left, Gorbachev's pro-market orientation testifies to the failure of socialism. In fact, the current crisis of the Soviet bloc confirms the warnings put forward by Leon Trotsky and the Left Opposition sixty years ago that the Stalinist program of "socialism in one country" is a reactionary and ultimately anti-socialist dogma.

The Trotskyist refusal to accept the equation of socialism with Stalinism is an object of scorn for reactionaries, pragmatists and backsliding "Marxists" of every stripe. For them, any distinction between the two signifies either hopeless moralism or a desperate clinging to an outmoded sectarian point of honor. The term "actually existing socialism," popularized by the East German "Marxist"-dissident-cum-Green, Rudolf Bahro, simultaneously acknowledges and dismisses the Trotskyist critique. You may call socialism anything you

like, Bahro implies, but the only socialism worth talking about is represented by the reality of those societies whose rulers have adopted that label.

In a similar vein, the English-speaking world's leading advocate of "market socialism," Alec Nove, concludes from the inadequacy of Stalinist planning that planned economy in general can never work. "...it would be foolish" writes Nove in a polemical exchange with Ernest Mandel, "to ignore the Soviet experience because of a prior decision to classify it as 'not socialist'" (*New Left Review*, January-February 1987).

The refusal of genuine Marxists to identify socialism with the bureaucratically-dominated societies of the Soviet Union, Eastern Europe or China, is not a debater's dodge or a dogmatic reflex. It flows from our conviction that socialism in Marx's sense—a democratically planned association of producers—is not only desirable but also *necessary* and objectively *possible* on a world scale. Stalin sought to legitimize the rule of the bureaucratic caste he led to power by appropriating the socialist title; legions of bourgeois ideologists and their "leftist" camp followers now point to the crisis of Stalinist rule as proof of socialism's decline. Both the former and the latter, by accepting the equation of Stalinism with socialism, explicitly or implicitly deny that a planned economy governed by the conscious will of the collective producers is either possible or worth fighting for. By reserving the name of socialism for such a society, we affirm our allegiance to 150 years of revolutionary struggle by the working class to bring it into being.

A genuine socialist society can only be consolidated on the basis of the necessary material prerequisites. Its citizens must have both the time and the capacity to participate fully in the making of major social decisions. This implies a growing freedom from the economic insecurity, drudgery and narrow specialization that inhibit the average man and woman of today from taking anything but a passing interest in society's common affairs. For such a political order to be permanent, that is, irreversible, society must have reached a level of abundance sufficient to ensure that the basic necessities (and many of what are now considered the luxuries) of life are freely available, and are the precondition, rather than the object, of the individual's endeavors. According to Marx, the productive forces upon which socialism will be based have already been brought into existence by capitalist development itself.

In all previous historical societies, the available social surplus was only sufficient to permit a tiny minority to develop its potentialities at the expense of an exploited majority, while the latter was condemned to a subhuman existence. The emergence and triumph of capitalism created, for the first time in history, the objective conditions for humanity's transcendence of class divisions. "The bourgeoisie, during its rule of scarce one hundred years," wrote Marx and Engels in 1848, "has created more massive and more colossal productive forces than have all preceding generations together" (*Communist Manifesto*). This is even more true today than it was 140 years ago.

The most fundamental contradiction of capitalism is that the unsurpassed wealth it has created is not humanity's servant, but its master. It confronts society in

the form of capital, a blind and unconscious force that tyrannizes the lives of individuals with all the arbitrariness of a force of nature, "thwarting [their] expectations, bringing to naught [their] calculations" (*German Ideology*). And just as the dominance of previous ruling classes was based upon a monopoly of the means of production furnished by nature (chiefly land), so the dominance of the modern bourgeoisie is rooted in its ownership of man-made productive forces in the form of capital. Only when these productive forces are taken out of private hands and subjected to the collective control of society can the division of human beings into antagonistic social classes be transcended and the wealth that the working class has produced be made to serve humanity's conscious aims.

Their Socialism and Ours

Trotsky wrote that, for all its achievements, capitalism "leaves the blind play of forces in the social relations of men untouched. It was against this deeper sphere of the unconscious that the October revolution was the first to raise its hand" (*History of the Russian Revolution*, Vol. 3). But if the revolution of 1917 constituted humanity's first step along the socialist path, neither Lenin, Trotsky nor any of the original Bolsheviks imagined that socialist construction could be completed within the confines of backward, impoverished and war-ravaged Russia. Because the capitalist system, centered in Europe and America, is worldwide in scope, socialism can ultimately triumph only as a new global order, with the world's most advanced productive forces at its disposal. The Bolsheviks saw the October Revolution as the opening battle in an international class war, whose ultimate objective was the conquest of the highly-developed Western heartlands of capitalism by the proletariat.

Nothing could have been more abhorrent to the founders of the Soviet state than the doctrine of "socialism in one country," first propounded by Joseph Stalin in 1924. This doctrine was the program of a new bureaucratic stratum that arose due to the revolution's isolation in the decade following 1917. The Stalinist bureaucracy abandoned the struggle for world revolution in order to consolidate its privileges at home. This in turn required conciliating the capitalist rulers abroad. To this end, the Kremlin used its prestige in the international workers movement to derail and betray foreign workers when revolutionary situations arose. Thus the Soviet bureaucracy, originally the spawn of the revolution's isolation, became an active factor in prolonging it. The idea that Russia could build a socialist society on its own was the ideological weapon with which the bureaucracy attacked the internationalist traditions of the October Revolution. Show trials, prisons and firing squads were the material weapons with which it annihilated the remaining members of Lenin's general staff.

In the absence of aid from the workers of the West, the Stalinist bureaucracy could only build up its industrial base by forcibly collectivizing agriculture and imposing a draconian regime upon the workers. Due to the fact that the Russian Revolution had concentrated economic

power in the hands of the state, the bureaucracy succeeded, albeit by brutally coercive methods, in bringing Russia into the modern world. But the promise of a socialist society that would equal and surpass capitalism in productive power remains unfulfilled. A command economy whose commands are no longer backed up by force, a working class with neither the discipline of the capitalist market nor the material security it would enjoy in a truly socialist community—this is the historical limbo to which sixty-five years of Stalinist rule has led. This impasse attests *not* to the failure of socialism, but to the bankruptcy of “socialism in one country.”

Trotsky held that the prospect of building socialism in a single backward country was an autarkic fantasy which was bound to fail. He was, at the same time, not anxious to see his predictions confirmed by a restoration of capitalism in the Soviet Union. The elements of economic planning present in the Soviet economy, however distorted, are the enduring fruits of the first attempt in history to replace the economic and social anarchy of capitalism with conscious human control. To abolish planning in favor of the market would be a step backward. Yet, it is precisely in this direction that the present rulers of the Kremlin are headed.

The defense of economic planning cannot be entrusted to the Ligachevs and other conservative *apparatchiks* who cling to the old ways for fear of losing their sinecures. Workers democracy, based upon democratically-elected soviets, is the only force that can sweep away the Gorbachevs, the Ligachevs and all other bureaucratic taskmasters, and breathe new life into the planned economy. Proletarian internationalism, the banner under which the Soviet state was born, is the only political program that will allow the plan to flourish in the context of an economically integrated socialist world. This is our program—and the vehicle for its realization can only be a reborn Fourth International.

Finally, to all those reforming bureaucrats, anti-Stalinist dissidents and “post-Marxists” who assert that socialism is dead and that the market is the answer, it is only necessary to put one simple question: what future do you envisage for the world beyond capitalism? Such a question will usually elicit an evasive answer. For when all circumlocutions are unravelled, it is evident that few of these pundits have any hopes, let alone a program, for going beyond capitalism. Their wisdom in the last analysis amounts to little more than the claim that the market, with its blind spontaneity and class antagonisms, will always be with us. We have heard this before. If the Marxism we profess is not new, the idea that the market springs from human nature is much older still; as old, in fact, as the bourgeoisie whose supremacy it was invoked to justify. Two hundred years ago, when the bourgeoisie was on the ascendant, these ideas may have been compelling. But in the present era of capitalist decay, after countless economic crises, two world wars and the nightmare of fascism, such pronouncements can only be borne of despair in the very possibility of progress. Despite the increasing currency of this reactionary mood, the only future for humanity lies along the socialist road first charted by Marx and Engels, and opened up by the October Revolution of 1917. ■



Mikhail Anket

Poster in Moscow 1988: “Verdict of History”

“The entire Old Guard of Bolshevism, all the collaborators and assistants of Lenin, all the fighters of the October Revolution, all the heroes of the civil war, have been murdered by Stalin. In the annals of history Stalin’s name will forever be recorded with the infamous brand of Cain!

“The October Revolution was accomplished for the sake of the toilers and not for the sake of new parasites. But due to the lag of the world revolution, due to the fatigue and, to a large measure, the backwardness of the Russian workers and especially the Russian peasants, there raised itself over the Soviet Republic and against its peoples a new oppressive and parasitic caste, whose leader is Stalin....

“But, fortunately, among the surviving conquests of the October Revolution are the nationalized industry and the collectivized Soviet economy. Upon this foundation workers’ soviets can build a new and happier society. This foundation cannot be surrendered by us to the world bourgeoisie under any conditions. It is the duty of revolutionists to defend tooth and nail every position gained by the working class, whether it involves democratic rights, wage scales, or so colossal a conquest of mankind as the nationalization of the means of production and planned economy. Those who are incapable of defending conquests already gained can never fight for new ones. Against the imperialist foe we will defend the USSR with all our might. However, the conquests of the October Revolution will serve the people only if they prove themselves capable of dealing with the Stalinist bureaucracy, as in their day they dealt with the Czarist bureaucracy and the bourgeoisie.”

—Leon Trotsky, “Letter to the Workers of the USSR,” April 1940

On SL/PDC 'Brigade' for Kabul Fake-Trotskyists Make Fake Offer



Soviet army abandons Afghanistan

Reprinted below is a letter from the Bolshevik Tendency to the Spartacist League regarding a proposal by the SL's Partisan Defense Committee to organize a combat brigade for Afghanistan:

16 March 1989

Comrades:

The rather bizarre letter from the Partisan Defense Committee (PDC) to Najibullah's Washington ambassador offering to organize an international brigade to Kabul (*Workers Vanguard* 17 February) is notable for the utter unreality of the proposal. We presume that the masterminds of the PDC/SL intended their offer to the People's Democratic Party of Afghanistan (PDPA) as a spectacular (but cheap) method of sidling up to the "tankies" in the disintegrating West European Communist Parties. From a military standpoint there is no reason to imagine that even the combined might of both the Spartacist League and the Partisan Defense Committee could appreciably affect the balance of forces in Afghanistan. Apparently the PDPA reached the same conclusion.

The SL leadership's treatment of the Partisan Defense Committee as an all-purpose "mass" organization capable of taking significant initiatives in the international class struggle has a decidedly fictitious quality. It is hardly a secret that the PDC is essentially the SL/US in suit and tie. Yet some of your members seem genuinely disoriented by this ludicrous posturing. At your 24 February forum in Berkeley, SL supporters estimated that the PDC could mobilize between one and ten thousand (!) participants for such a venture. In Toronto

on March 8, a Spartacist member announced at a public class that the PDC could probably have recruited a couple of thousand members for its brigade from Pakistan and India! The Spartacist League used to criticize the Healyites ruthlessly for creating illusory, self-contained Potemkin Villages. Today it is engaged in the same kind of fakery.

Even if we ignore for the moment the absurdity of the PDC's pretensions of playing a significant military role in Afghanistan, the whole orientation to the Afghan government is sharply at variance with any claim to Trotskyism. The proposal explicitly states that the PDC "Volunteers would of course operate under your [Republic of Afghanistan] control and direction." Quite apart from the dangers posed by the extremely unfavorable military and political situation created by Gorbachev's ignominious pull-out, it could have proved extremely physically hazardous for young militants (or guilt-ridden ex-members) identified with a "Trotskyist" organization to place themselves under the "control and direction" of the PDPA—a Stalinist organization with a history of bloody purges within its own ranks. *Workers Vanguard* compares the PDPA leadership with Kemal Ataturk: let us remind you of the fate of the Turkish communists at his hands.

The proposed expedition to Kabul recalls the SL's offer of a dozen "defense guards" to protect the Democratic Party Convention in 1984. That too was a proposal which was meant to be rejected. There is a certain cynicism evident in such publicity stunts. The difference between the two situations is that the PDPA and the secular residents of Kabul are in genuine physical danger, whereas Mondale, Wallace et. al. were *not*, as we pointed out at the time (see *Bulletin of the External Tendency of the iSt*, No. 4).



P. Robert/SYGMA

Najibullah at prayer

progressive" is that James Robertson, your *lider maximo*, has put his imprimatur on the non-Trotskyist slogan of "Hail Red Army!," a slogan which, if nothing else, is unambiguous in its expression of confidence in the policies of the Soviet rulers.

In a nod to objective reality, the WV article reiterates this earlier (1980) comment:

"Of course, the conservative bureaucrats in the Kremlin did not send 100,000 troops into Afghanistan to effect a social revolution, but simply to make secure an unstable, strategically placed client state...It is possible the Kremlin could do a deal with the imperialists to withdraw..."

How are WV readers supposed to reconcile this with the assertion, on the same page, that the Soviet intervention went "against the grain of the reactionary Stalinist dogma of 'socialism in one country'"? As we remarked in our letter of 8 April, this is:

"...on its face, simply stupid. Was Stalin 'going against the grain' of Stalinism when he intervened in Finland in 1939? Or when he decided to expropriate the East European bourgeoisie after the war? Of course not. On another level though this formulation is perhaps not so accidental. Those who despair of the historic possibility of the working class, led by a conscious Trotskyist vanguard, intervening to change the world have often in the past looked to one or another alternative agency for social progress. This is the political significance of your inclination to 'hail' the Stalinist bureaucracy and identify yourselves with Andropov et al."

As you know, Brezhnev reportedly had to personally override very considerable opposition at the top of the CPSU to initiate what you consider to have been the "unambiguously decent and progressive act" of military intervention in Afghanistan. With this in mind, perhaps you might have wanted to dub your hypothetical international expeditionary force the "Leonid Brezhnev Brigade."

You spent most of the last decade "hailing" the Soviet bureaucracy's Afghanistan policy. This same bureaucracy is now bitterly denounced for "cold-blooded betrayal." Yet WV (17 February) still ludicrously refers to Moscow's intervention as "the one unambiguously decent and progressive act" which the CPSU oligarchs carried out in the past twenty years. While Trotskyists sided militarily with the Soviet army against the mujahideen, just as we today militarily support Najibullah's troops, by now the ambiguity of the Soviet intervention should be clear even to your most dim-witted member. The reason that it must still be praised as "unambiguously decent and

Pamyat Rides In Moscow

Not so long ago, one of the favorite slogans of the Spartacist League (SL) was "The Klan Doesn't Ride in Moscow!" It was intended to cut against anti-Sovietism among sectors of the American population hostile to the Ku Klux Klan—particularly blacks, but also radical youth and others. However well-intentioned, the slogan had a distinctly Stalinophilic quality, as the recent publicity exposing the rise of the fascistic, nativist Russian Pamyat organization underlines. Strictly speaking it is, of course, true that the Klan doesn't ride in Moscow; but then, Pamyat doesn't ride in Washington.

Pamyat, the modern-day successor to the anti-Semitic Black Hundreds, is alive and well in Moscow and has been since the early 1980s, when it was founded as an adjunct of the USSR Ministry of the Aviation Industry. Pamyat enjoys considerable support from powerful elements in the ruling Stalinist bureaucracy and has been known to hold meetings in Communist Party premises in central Moscow.

Trotskyists have long been aware that the heterogeneous Stalinist ruling caste contains within it some of the most reactionary elements in Soviet society. In the Transitional Program, Trotsky referred to the "bourgeois-fascist grouping" in the CPSU as "the faction of Butenko." The SL's slogan falsely suggested that fascistic elements had been eradicated. This was one of a number of Stalinophilic deviations which this supposedly "Trotskyist" group has put forward in recent years. An example was the naming of one of its contingents on an anti-fascist demonstration the "Yuri Andropov Brigade," after the then-chief bureaucrat in the Kremlin, who had played a key role in the suppression of the Hungarian workers revolt of 1956. (When Andropov died in 1984 he was given an "in memoriam" box on the front page of *Workers Vanguard* with a 75 percent approval rating.)

In recent months the Spartacist press has run several accounts of the alarming growth of Pamyat under glasnost, complete with calls on the Soviet workers to sweep them off the streets. The boast about the Klan not riding in Moscow has been discreetly shelved. But thoughtful members of the Spartacist group should ask themselves how a supposedly Trotskyist organization could have raised such a slogan in the first place.

Those comrades in the international Spartacist tendency who are serious about the urgent necessity to struggle to establish Trotskyism as a mass current in the international proletariat must break from the cynical posturing of the Robertson gang and join with the Bolshevik Tendency in the struggle for the Rebirth of the Fourth International—World Party of Socialist Revolution.

Fraternally,
Bolshevik Tendency

South Africa...

continued from page 40

trade unions in South Africa are still fighting, and winning substantial gains.

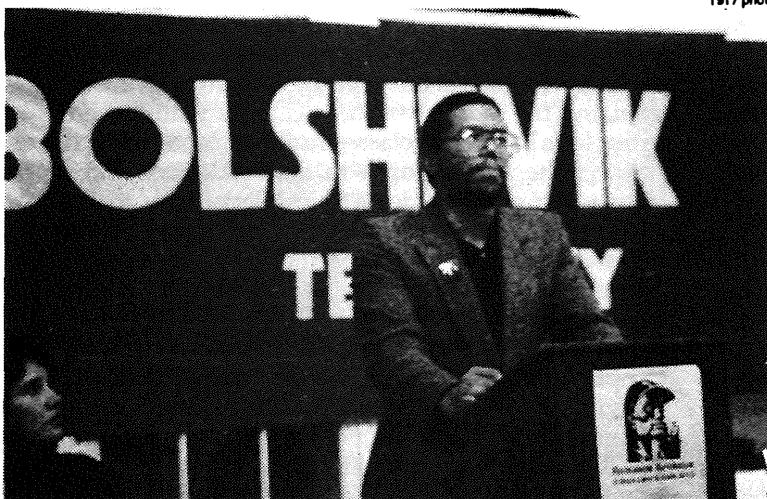
This massive display of the power of organized labor had a sobering effect on the apartheid regime. Immediately after the strike, manpower minister du Plessis agreed to negotiate the Labour Relations Amendment Bill with the unions. This was a real, though limited, victory. It signaled that the non-racial unions have the strength to force the white rulers to back down.

The growth and development of the black trade-union movement has been conditioned by the nature of the apartheid system itself. Apartheid literally means *apart-ness* or *separate-ness*. It has been the policy of the National Party since it came to power in 1948 and is codified by a complex web of 317 laws, such as the Racial Classification Act, the Bantu Education Act, the Separate Amenities Act, the Factories Act, and various others.

Apartheid has its material basis in the super-exploitation of black labor. Historically, black workers have received as little as one-sixteenth of the wages of their white counterparts. The differential goes to the South African capitalists. Obviously if South African mine owners can get away with paying their workers only a fraction of the wages paid by their international competitors, while selling their product at the world price, their profits are going to be above average, or *super* profits. One of the key things to understand about South Africa is that the struggle against apartheid is *necessarily* linked to the struggle against capitalism.

The liberal section of the South African capitalist class would like to do away with some of the most bizarre features of apartheid. But all the reforms which they advocate, like those implemented by the Botha regime during the past few years, are intended to preserve the system of economic exploitation which lies at the core of the hated apartheid system. The few cosmetic reforms offered to date have only fueled the anger of the struggling black masses because they have changed nothing—except whetting their appetite for real social justice.

Gerald Smith speaking in Toronto



Simultaneously, the National Party is under fire from its own base. Hard-line supporters of apartheid, such as the Conservative Party and the neo-nazi Afrikaner Resistance Movement (AWB), are opposed to any and all concessions. To maintain this delicate balance is far more difficult than it may seem.

Permanent Revolution: Program for Liberation

One of the ironies of apartheid is that the superprofits gouged out of the black workers in the past few decades have led to significant economic expansion, which in turn has produced a parallel growth in the strength of the black proletariat. But, contrary to liberal capitalist theorizing, the development of this capitalist economy has not significantly eroded apartheid. Many militants refer to South African capitalism as "racial capitalism." This is because the extreme form of racial oppression imposed upon the black masses is inextricably bound up with the entire structure of South African capitalism. Apartheid capitalism cannot be reformed—it has to be *smashed*, through the revolutionary struggle of its victims.

But if the workers and insurgent black masses manage to make a revolution, and succeed in smashing the state which safeguards this bestial system of racist piracy, why should they then hand power back over to a section of the white capitalist class and a thin layer of privileged black hangers-on? Why shouldn't they organize this powerful industrial economy in such a way that it benefits the people whose sweat and blood have created the fabulous wealth that is presently monopolized by the "randlords"? In other words, why shouldn't they establish a workers government which can proceed to create an egalitarian, socialist society?

This may seem elementary for socialists. But supporters of the largest supposedly-socialist organization in South Africa, the Communist Party (SACP), who play a very influential role in the African National Congress (ANC)—the main anti-apartheid organization—pursue a different strategy entirely. They think that South African capitalism can be reformed, and they therefore seek an alliance with a section of the apartheid capitalists.

Their willingness to appease the ruling class has been exposed through their meetings with the Anglo-American Corporation (the biggest single exploiter of black labor in the country) and various liberal Afrikaner oppositionists outside the country. When Edward Kennedy, a representative of one of America's twin parties of racism, imperialism and war, visited South Africa a few years ago, these people and their supporters in the United Democratic Front (UDF), held a demonstration to welcome him! In an interview with the *London Observer*, Joe Slovo, one of the leaders of the SACP, said: "I believe transition in South Africa is going to come through negotiation...If there were any prospect of settling it peacefully tomorrow, we would be the first to say let's do it."

What kind of negotiated settlement do you think the South African working masses could



Mark Peters/Newsweek

South African police: serving and protecting apartheid

make with their executioners? It could only be an agreement to let a few ANC representatives in some kind of coalition government share responsibility for the continuation of the system of capitalist exploitation presided over by the white ruling class. It is unthinkable that the South African bourgeoisie would make the kind of concessions which were made a decade ago in Zimbabwe—yet for the average black worker or peasant in Zimbabwe, the replacement of Ian Smith by Robert Mugabe has changed very little in their conditions of life.

The politics of the ANC can only lead the black masses into a blind alley. The ANC's basic program is the Freedom Charter, which says, "the people shall govern." But who are "the people"? And how will they "govern"? One left-wing South African trade-union militant, Moses Mayekiso, said this about the Freedom Charter:

"The [ANC's] charter is a capitalist document. We need a workers' charter that will say clearly who will control the farms, presently owned by the capitalists, who will control the factories, the mines and so on. There must be a change of the whole society.

"Through the shop-steward councils people are opposed to this idea that there will be two stages toward liberation: that we must clean up capitalism first, then socialism. It's a waste of time, a waste of energy and a waste of people's blood.

"Apartheid is just an appendage, a branch of the whole thing...."

—*Socialist Worker Review*, October 1985

In criticizing the program of the ANC, we do not disparage the courage and dedication of the thousands of active members of the South African Communist Party, the South African Congress of Trade Unions (SACTU) or

the ANC. All of these organizations have fought against apartheid and many of their militants have lost their lives in the struggle. We have no doubt that the future Socialist Republic of Southern Africa will honor the memory of these heroic militants. Nevertheless, personal courage cannot substitute for a correct program, which in turn can only be derived from a clear perception of reality. Ever since the victory of the Stalinist political counterrevolution in the Soviet Union in the 1920s, Stalinism has corrupted the thinking of would-be revolutionaries the world over.

South African capitalism provides a powerful vindication of Leon Trotsky's theory of permanent revolution. In this epoch, the epoch of imperialist decay, the international capitalist system as a whole is in decline. It has outlived its usefulness. The capitalist class has no historically progressive role to play anywhere in the world, and the most elementary tasks of the bourgeois revolution (the distribution of land to the tillers, the creation of a democratically-elected constituent assembly on the basis of universal suffrage, and national liberation) can only be solved by the victory of the proletariat in its struggle for social emancipation.

The Centrality of the Working Class

When the struggle was restricted to the residential townships, it was not much of a threat to South African capitalism. In fact, the townships were *designed* for repression. So when the "comrades" (as the youthful black anti-apartheid militants in the townships are known), and the students, protested, their power was very limited. Not so the working class. When the workers staged the "stayaways" last May and June, nothing moved in South Africa. This was a demonstration of the social power which, combined with objective interest, gives the working class the capacity to uproot bourgeois society and lead humanity into the socialist future.

While the unions have a vital role to play, communists are not trade-union fetishists. We view the trade unions as mass workers organizations that can be transformed into instruments for working-class liberation, but they are not ends in themselves. Today the most significant social struggles that are taking place in South Africa are being led by the trade unions. The task of revolutionaries in South Africa is to build the new trade unions while organizing the most advanced workers within them into groupings based on a class-struggle program which goes beyond the issues posed in the workplace and poses clearly the necessity for a social revolution to create a black-centered workers government to carry out the socialist expropriation of apartheid capitalism. This is the historical role of the Leninist vanguard party. It must win to its banner the rapidly growing militant, class-conscious elements within the unions. Only such a party, deeply rooted in the black proletariat, will be capable of providing the political leadership, and ultimately the technical coordination, required to shatter the apartheid colossus. A tightly-disciplined, democratic-centralist organization is indispensable if the oppressed masses are

to triumph over the brutal terrorism of the apartheid regime.

There is a real difference between a party of the Bolshevik type and a union. A Bolshevik organization is a cadre organization which is open only to those who understand and agree with the revolutionary program, and who are willing to make the sacrifices necessary to carry it out. In contrast, trade unions are mass organizations in which the members necessarily possess diverse political opinions. They have to be built from the bottom up as grassroots organizations, based on strong shopfloor structures. The existence of a strong shop-steward system means direct union representation on the shop floor. It functions as an essential link between the top leadership and the rank-and-file at the point of production. It also serves as a training ground for the development of worker-leaders. A union without an effective steward system is like a car without a transmission.

The History of Trade Unionism in South Africa

From its inception, the South African union movement has been deformed by the scourge of racism. Initially, blacks were totally excluded from skilled jobs and from joining the all-white unions. The Industrial and Commercial Workers Union of South Africa (ICU), founded in 1919 in Capetown, was the first nationwide African workers organization and political movement. Led by Clements Kadalie, the ICU grew rapidly as the result of a very successful dock strike which in 1920 won wage increases of nearly 100 percent for workers on the Capetown docks. By 1927, at its peak, the ICU had 100,000 members and had branches across the country, especially in rural Natal and the eastern Transvaal.

The ICU was what is called a *general* union. Anyone could join and many of its members were not actually employed. Unions are best organized along industrial lines so that all the workers in a given industry are represented by a single union. This gives them more power. But because the black workers in South Africa were without any kind of legal or political rights, there was a tendency to combine politics with trade unionism at a very early stage, which led to increased repression on the part of the South African regime.

In 1941 the Council of Non-European Trade Unions (CNETU) was formed through the merger of several

small black unions led by the Communist Party. Demand for labor was high in South Africa after the depression, and the CNETU grew to some 150,000 members. It was a very militant union and in 1942-43 it succeeded for the first time in organizing black mine workers. However, it was bedeviled by disputes over the role of the SACP. After the crushing of the mine workers strike in 1946, the secession of 22 affiliates in 1947, and the banning of the SACP in 1950, the CNETU split up in 1953.

In March 1955, the South African Congress of Trade Unions (SACTU) was founded in Johannesburg by a variety of leftist trade unionists, including remnants of the CNETU, and individuals purged from the Trades and Labour Council (either for protesting the exclusion of blacks or under the 1950 Suppression of Communism Act). SACTU declared its intent to combine the organization of industrial unions with the political struggle against apartheid. It grew from 20,000 members in 1956 to 46,000 three years later. It joined the Congress Alliance in 1955 and took part in the Congress of the People, which promulgated the Freedom Charter. In 1962, 160 SACTU leaders were arrested and charged under a new Sabotage Act. SACTU's heavy dependence on Communist Party cadres, and a consequent lack of organizational depth, meant that the intensified repression aimed at the SACP forced SACTU underground by the mid-1960s.

As one observer noted:

"None of the African union movements before the 1970s endured because none could turn worker support into a permanent source of power. In each union generation, workers surrendered their power—whether to charismatic leaders, the law, registered TUCSA unions or non-workers who sought to lead resistance to apartheid."

—Steve Freidman, *Building Tomorrow Today*

Origins of the New Union Movement

After the suppression of SACTU, the labor movement went into a period of relative quiescence for about a decade. This began to change in January 1973, when 2,000 workers in a brickworks won a sizeable wage increase after a short strike. This sparked a strike in the Frame Group, South Africa's largest textile enterprise. By the end of the month, 6,000 workers were out. In the next two months more than 60,000 workers had been involved in a variety of strikes in the Durban area.

The 1973 strikes suggested to both South African and foreign-owned firms that it was in their interests to make some concessions to black workers and to consider legalizing the unions rather than face continuing and unpredictable production interruptions. Things did not change overnight—in 1974 and 1976 there were several waves of repression which resulted in certain union organizers being "banned"—but the apartheid rulers gradually decided to temper the repression of the previous decade with some reforms. The report of Nicholas Wiehahn's Commission of Inquiry into Labour Legislation, released on May Day 1979, marked a turning point. Set up in 1977 in the wake of the 1976 Soweto uprising, the Wiehahn Commission recommended that black workers be allowed to form their own unions and that industrial courts be set up to settle industrial disputes.

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The commission also allowed African unions to take part in the industrial councils, on the condition that they register. This caused considerable controversy among the African unions, and many rejected registration with the government and participation in the proposed councils. SACTU, from exile, argued that registration was a "betrayal," a position which contributed to its isolation from the new union movement. Many of these unions adopted a tactic of registering and attempting to use the legal opening to their advantage, while continuing to organize strong shopfloor representation at the base. In 1979, a federation of some of the new unions was launched, the independent Federation of South African Trade Unions (FOSATU). Originally including some 35,000 members, FOSATU tripled its size in the next four years.

The labor relation reforms of the South African government were designed to create the illusion of change, while establishing control over the black unions, with the aim of safeguarding the status quo. But they did present certain limited opportunities. In 1980, for example, the Metal and Allied Workers' Union (MAWU) applied for registration as a non-racial union. The government issued MAWU a registration certificate, but only for organizing African workers. The union was able to have it overturned in the Natal Supreme Court, which had the effect of undermining the whole notion of racial registration.

Some FOSATU affiliates registered and some did not. But they all attempted to coordinate industrial action, and emphasized the building of industrial unions rather than general unions. FOSATU's priority was to consolidate itself organizationally and win negotiation rights, something which its predecessors had largely failed to do. As a result, the FOSATU unions grew into strong, industrially-based unions which were able to win some strikes and make real gains for their members.

SACTU and the New Union Movement

SACTU's and the SACP's rejection of FOSATU's tactics in part resulted from their erroneous conception of the South African state as simply "fascist." This is a left-sounding cover for a right-wing theory of seeking a bloc with the "progressive" elements among the white bourgeoisie. In fact, an extremely circumscribed and grotesquely distorted form of bourgeois democracy exists in South Africa which FOSATU affiliates were able to take advantage of. SACTU's antagonism to FOSATU also stemmed from simple organizational jealousy and a tendency on the part of the Stalinists to be hostile to organizations which they do not control. SACTU showed this same attitude toward the Council of Unions of South Africa (CUSA) which was founded in 1980 as a loose federation of ten unions politically aligned with the Black Consciousness Movement.

In a brazen attempt to ensure that contact between South African workers organizations and unionists from other countries ran exclusively through itself and the ANC, SACTU actually agitated *against* workers sanctions and fraternal links between South African and British trade unions. When a debate broke out in the British anti-

apartheid movement concerning the relationship between the unions of these two countries:

"SACTU entered the debate with an article in the April 1982 issue of *Workers' Unity* entitled 'Direct Links Stink!'—claiming that visits to South Africa by unions were objectionable since 'they do us no good and put our organisation in jeopardy'. Similarly visits from South African unions to the UK or USA were unnecessary since the independent unions '...don't need lessons in class collaboration'. Most tellingly the article attacked direct links as an attempt to by-pass what it termed 'the peoples' revolutionary organisations, the ANC(SA) and SACTU'."

—*Power!*

FOSATU refused to affiliate with the UDF, which is ANC-influenced, or the National Forum Committee (NFC), which is linked with the Black Consciousness Movement. It did so on the grounds that these two organizations were multi-class formations, not working-class organizations, and that in any case there was no mandate from the membership, which included workers from across a wide spectrum of political sympathies. FOSATU did work with the UDF on particular issues, for example, the 1984 Transvaal "stayaway" to protest the police occupation of the townships.

Because trade unions are rudimentary proletarian united fronts organized around the defense of the workers living standards, controversial political programs or organizations should never be adhered to unless the members are in agreement. Otherwise, the stage is set for acrimonious internal feuds, or worse, organizational ruptures. Workers are not recruited to the unions on the basis of the program of a political party but rather because of the need to band together to defend themselves against the employers. That is why the traditions of workers democracy, i.e., the practice of allowing all political groups (excluding the sworn enemies of the workers) to freely express their views and compete for the loyalty of the workers within the unions, has been historically proven to be the best way of ensuring the organizational unity of the workers organizations.

In late 1985, South African trade unions held a conference in Durban to launch the super-federation Congress of South Africa Trade Unions (COSATU). This new federation, founded on the basis of democratic, non-racial industrial unionism, represented some 500,000 workers. The principals in the merger were FOSATU and the unions which supported the UDF. In addition, there were a number of unions which were neither in FOSATU nor pro-UDF, the most important of which was the National Union of Mineworkers (NUM) which was affiliated to CUSA before breaking away in August of 1985. CUSA and the black-nationalist AZACTU (Azanian Confederation of Trade Unions) chose not to join COSATU because there was no principle affirming the necessity for a black leadership. Under pressure from their members who desired unity, these two merged to become the National Council of Trade Unions (NACTU).

Vigilantes: Apartheid's Black Guardians

The enormous growth of the black unions, and their demonstrated ability to paralyze production, has been

met by a counterattack on the part of the capitalists. The South African bourgeoisie felt that it could no longer rely solely on its police and armed forces. To supplement the "legal" means of repression, they have undertaken the promotion of a vigilante movement whose aim is the destruction of the unions and the anti-apartheid movement. The South African vigilante gangs became active in most areas in late 1985. They specifically target anti-apartheid and trade-union leaders and have operated with the blessing of the regime. In some cases, direct links between the vigilantes and the police have been uncovered.

The bourgeois media refers to the vigilante attacks as "black-on-black" violence in a deliberate attempt to conceal the actual pattern of attacks on the leadership of the trade unions and anti-apartheid organizations, and the links between these extra-legal bands of thugs and their apartheid masters. What we are seeing in South Africa today is a peek into the future for the workers in any country where the class struggle reaches a comparable level of intensity. The "vigilantes" are essentially the equivalent of fascist gangs employed in other countries. In the Philippines, for example, reactionary vigilantes are being recruited to take on the insurgent guerrillas. In the U.S. we have the Ku Klux Klan, the "White Aryan Resistance," the "New Order," "Aryan Brotherhood," "Aryan Nations," and assorted other fascist formations.

South African society is in a prolonged and deep political crisis, the intensity of which is felt by all who live there. In search of a way out of this crisis, the apartheid rulers have consciously attempted to create a cooperative stratum within the non-white population. This has included the forced removal and incorporation of many non-white communities into the phony "homelands," each with its own tiny but relatively privileged elite. This is supplemented by the creation of bogus "community councils," which are neither economically solvent nor independent. In general they have been boycotted by the overwhelming majority of the non-white population.

You might wonder why a regime armed to the teeth, with overwhelming military superiority over a civilian opposition, needs vigilantes in the first place. The police and the army are limited by the difficulty they encounter in getting reliable informers—it seems that the "necklacings" (executions of suspected apartheid collaborators) cut into their ranks considerably. The official state apparatus is also hampered in its ability to wreak the wholesale terror and murder necessary to destroy the mass organizations by a desire to maintain a facade of "legality." Besides, the armed intervention of the regime against the anti-apartheid movement is somewhat counterproductive in that, short of a wholesale bloodbath, it tends to encourage political solidarity among the oppressed.

No amount of physical force can create support for puppet community councils or administer the townships. The vigilantes have proven more effective in damaging the trade unions and resistance organizations. Unlike the indiscriminate violence that takes place when the police "visit" the non-white communities in their armed personnel carriers, vigilante terror zeroes in on the leaders of the resistance.

Why the Vigilantes Have Grown

The simplistic argument that the vigilantes are state-inspired is not sufficient, in spite of the blatant involvement of the state, because it leaves unanswered the mass base of the vigilantes. Where they have been successful, the vigilantes have fed off the tensions and divisions within the black community. These divisions have been both created and carefully nurtured by the apartheid system. For instance, a black resident of a township who possesses South African citizenship is relatively better off than a black migrant worker forced to live in a hostel.

The anxiety felt by the non-white population as a result of the deep crisis of South African society is politically exploited by the vigilantes. The slogan of "restoring law and order," which serves as a cover for vigilante lawlessness, plays on widespread distress caused by the social dislocations of the apartheid system. There have been understandable objections within the community to some of the methods that the young "comrades" (as the anti-apartheid militants are known) have used to enforce discipline. The means used to get Crossroads residents to maintain the consumer boycott of white shops:

"included making returning residents eat their purchases including detergents, soap, raw meat, etc. It was frequently alleged that suspects were not given an opportunity to explain how they had come by the goods and even that the goods were stolen by the youths manning roadblocks in the Transvaal. Local leaders frequently had to threaten the youths and often distanced themselves from the 'thugs operating in our name'."

—*Apartheid's Private Army*

The same account reports that:

"The fighting and violence which erupted in New Crossroads and KTC in late 1985 can be traced to a number of issues. These include: the death of a community councillor, Mr. Siqaza, in New Crossroads, who was hacked to death with pangas and burnt on Christmas Eve; growing dissatisfaction within the Cape's black communities with the way in which the consumer boycott, schools boycott and Black Christmas [a ban on the celebration of Christmas enforced by the "comrades"] had been organized and handled by individuals and organizations associated with the UDF; tensions and divisions over the 'people's courts' which existed in a number of areas...."

The justice meted out by these "people's courts" was sometimes gruesome:

"One such case, of three women who were given approximately 100 lashes and treated eventually at the nearby health clinic, received a lot of local publicity and created deep tensions between sectors of the youth, older residents and women in Nyanga East."

—*Ibid.*

If "liberation" by the "comrades" means public floggings, it is not difficult to comprehend why, in some cases, the vigilantes have been able to garner mass support.

The fight to defeat the vigilantes requires, first of all, a political struggle to develop the appropriate methods to isolate the vigilantes and mobilize the maximum support

from the mass organizations of the working class to act in their own self-interest. This requires a commitment to the principles of workers democracy, and confidence in the ability of the masses of the oppressed to act in their own self-interest. The "comrades" lack such a perspective. As Baruch Hirson, an old South African Trotskyist, remarked:

"Despite undoubted sacrifices their use of lynch law is unacceptable. Assassinations do not make a revolution and inevitably rebounds on the community. It also becomes indiscriminate and has led to the death of innocent bystanders, including trade union organisers in the western Cape. The vicious methods employed by the army and the police makes it difficult to condemn the comrades, who are only returning the violence to which they were subjected. Yet, their methods have not always differed from that of the gangsters who prey on the inhabitants of the locations, and their policies and methods can immobilise rather than lead to significant political responses by the community or the working class. Their methods of physical violence against opponents within the townships cannot substitute for the action of the majority of the population (even if they had community support in some of their 'necklacing')."

—Azania Worker, August 1987

Moses Mayekiso and the Alexandra Action Committee—A Positive Example

Youth in the township of Alexandra, north of Johannesburg, under the leadership of the Alexandra Action Committee, employed radically different methods from those of the "comrades" of New Crossroads. In Alexandra, during 1985, democratically-organized street committees were carefully built on a block-by-block basis. The chairman of the Alexandra Action Committee was Moses Mayekiso, a prominent member of the Metal and Allied Workers Union (MAWU), one of the most left-wing unions in FOSATU.

Mayekiso is an example of the very best of the new layer of militant working-class leaders created by the explosion of the black unions. He began work at Toyota in 1976, and soon became a union steward. By 1979, he was a full-time organizer for MAWU and helped consolidate the shop-steward structures around which the union has grown. Mayekiso played a leading role in the Transvaal "stayaways" in 1984. As MAWU's Transvaal Organizing Secretary, he was arrested by South African authorities in early 1986, prompting a protest work stoppage on March 5th of that year.

In June 1986, after being elected General Secretary of MAWU, Mayekiso was again arrested, and is currently on trial for "treason" to the apartheid state. When MAWU fused with several other unions to form the National Union of Metalworkers of South Africa (NUMSA), Mayekiso was unanimously elected General Secretary, even though he had at that point been in detention for almost a year. In April 1987, 60,000 engineering workers staged three work stoppages to protest the imprisonment of their elected leader. Over the past several years, we of the Bolshevik Tendency, along with many others in the left and workers movement, have been involved in an international campaign to win Mayekiso's release.



South African mineworkers: core of the black proletariat

The street committees in Alexandra Township were linked directly to the organized working class and constituted proto-soviet formations. This was clearly demonstrated when they took over the administration of the townships during the "Six Day War" between the residents of Alexandra and the South African Defense Force in February 1986. The "people's courts" set up by the Alexandra street committees functioned in an exemplary manner. According to a report in the Johannesburg *Sunday Star*, the residents of Alexandra had praised the "comrades" for eliminating rapes, murders, etc., and "freely express[ed] gratitude for what they see as their sterling work."

COSATU was not yet a year old when the new federation was forced to advocate working-class defense. Every time a trade-union leader is abducted or murdered with impunity, it not only deprives the workers of an important asset, but it also emboldens the vigilantes. It is imperative that the vigilantes be dealt a series of military defeats to inspire the workers and oppressed, and simultaneously humiliate apartheid's "private army" in the eyes of their would-be supporters.

There is widespread fear of the vigilantes, yet the uncontrolled activity of the "comrades" in many areas has fueled a backlash that allowed the reactionary vigilantes a limited popular base. The democratically-controlled street committees established in Alexandra were models of the kind of mass organizations that can become the center of the anti-apartheid struggle. Such street commit-

tees, in alliance with the black unions, can become the organizational basis for the creation of workers defense guards on a mass scale to rid the townships of vigilante terror. If the masses are not conscious of their own aims, or feel they are denied any real input, they will eventually become demoralized. Workers democracy has played a vital role in the growth of the black unions to date, and it will play a nequally important one in the revolutionary struggles of the future.

For a Trotskyist Party in South Africa!

The black proletariat of South Africa has shown both the desire and the capacity to take on the capitalists. But as yet it lacks a political leadership equal to the historic task of uprooting the system which is the source of its oppression. Such a leadership, while posing the struggle for power in class terms, must *combine* the socialist tasks with the democratic ones. This means championing the fight for one person, one vote; fighting for the abolition of all apartheid legislation, and conducting an all-sided struggle against the pathological social legacy of apartheid.

A revolutionary party in South Africa must set as its goal the creation of a black-centered workers state. But, it must also be capable of winning the allegiance of Asian

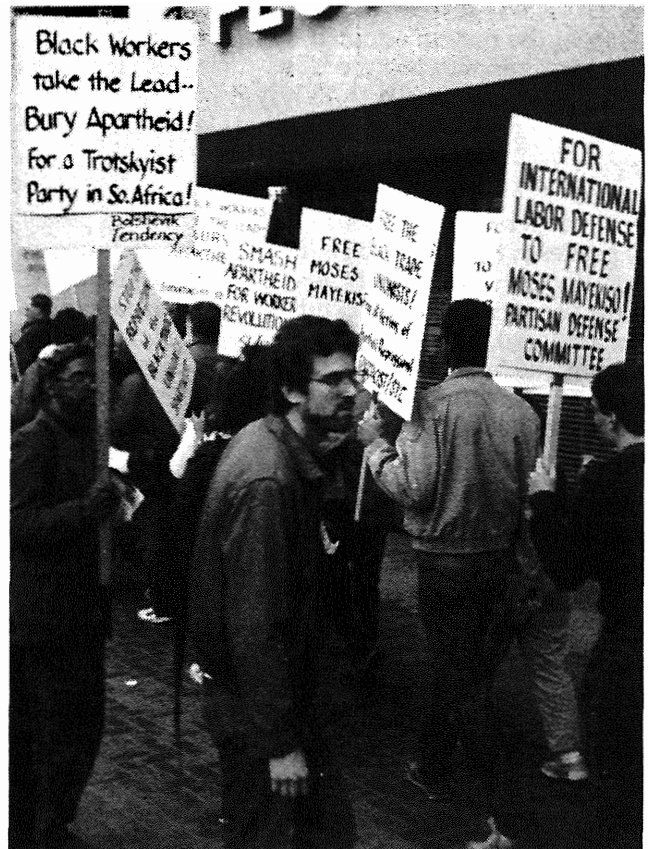
workers, these-called "coloureds," as well as progressive elements among the whites, who, precisely because of the racialist nature of the apartheid state, can play a military/technical role as a "fifth column" out of proportion to their numbers. Only a party based on the black workers movement, which has assimilated the lessons of the international communist movement of this century, and which stands in programmatic opposition to the utopian class-collaborationist scenarios of both the ANC and the black consciousness movement, will be able to provide the leadership necessary to destroy apartheid capitalism.

The development of a militant, powerful and democratic workers movement in this citadel of racist oppression is an inspiration to workers and the oppressed all over the world. Yet a successful struggle to topple the apartheid regime depends on forging a general staff—a Leninist vanguard party—rooted in the advanced detachments of the black proletariat and armed with the program of *permanent revolution*, the program of uncompromising opposition to *all* wings of the exploiters. The victory of the South African masses will not only open the road to the socialist reconstruction of all of Southern Africa; it will also give a powerful impetus to the struggle for social liberation internationally. ■

Mayekiso Acquittal: A Victory for the Oppressed!

On April 24 the international proletariat and the oppressed masses of South Africa won a victory when Moses Mayekiso, general secretary of the National Union of Metalworkers of South Africa (NUMSA) and his four co-defendants were acquitted by South African justice P. J. van der Walt almost three years after they were arrested. Mayekiso and his comrades, (his brother Mzwanele, Paul Tshabalala, Richard Mdakane and Ibed Bapela) spent two and a half years in jail after being charged with "treason" to the apartheid state. The labor-centered international campaign against the frame-up initiated by NUMSA proved once again the power of international working class solidarity. NUMSA workers staged numerous strikes and demonstrations under the slogan, "Release Mayekiso and all detainees!"

The Bolshevik Tendency contributed to this international campaign by initiating the Committee to Free Moses Mayekiso in the San Francisco Bay Area. In the year and a half which we were involved in the committee it organized three demonstrations, a successful defense benefit concert, several public meetings and distributed thousands of brochures and leaflets publicizing the case. It also obtained the endorsement of a significant number of unions, left groups and black community organizations. The victory won by the Alexandra Five underlines the necessity for anti-sectarian, non-partisan, principled class-struggle defense efforts on behalf of all class-war prisoners and offers renewed hope for all the victims of racist injustice languishing in apartheid's dungeons.



San Francisco, October 1988: CFMM demonstration

Workers Sanctions & Capitalist Sanctions: 'Fire and Water'

What attitude should revolutionaries take toward bourgeois "sanctions" against apartheid? This question, much debated in the international left in connection with South Africa, was similarly posed in the 1930s at the time of the Italian invasion of Ethiopia. Trotsky sharply criticized those "pragmatists" who sought to combine workers sanctions and imperialist sanctions. Ernest Mandel's United Secretariat of the Fourth International (USec), in adapting itself politically to the illusions of the masses, replicates the sanctions policy of Stalin's Comintern and the various centrist formations against which Trotsky polemicized:

United Secretariat:

"We support the calls on governments that they impose sanctions against the South African regime. By putting forward these demands, we do not encourage illusions in their capacity or their desire to take effective measures. On the contrary, we urge the workers' movement to fight to impose these sanctions. For this reason, we popularize and call on the workers to take direct action initiatives to prevent the exchange of goods and services with South Africa."

—from the motion adopted by the International Executive Committee of the USec, June 1987, reprinted in *International Viewpoint*, 13 July 1987

Trotsky:

"Most dangerous of all, however, is the Stalinist policy. The parties of the Communist International try to appeal especially to the more revolutionary workers by denouncing the League [League of Nations] (a denunciation that is an apology), by asking for 'workers' sanctions,' and then nevertheless saying: 'We must use the League when it is for sanctions.' They seek to hitch the revolutionary workers to the shafts so that they can draw the cart of the League."

"The truth is that if the workers begin their own sanctions against Italy, their action inevitably strikes at their own capitalists, and the League would be compelled to drop all sanctions. It proposes them now just because the workers' voices are muted in every country. Workers' action can begin only by absolute opposition to the national bourgeoisie and its international combinations. Support of the League and support of workers' actions are fire and water; they cannot be united."

—"Once Again on the ILP," November 1935

"...Erde rejects the position on sanctions taken by our Italian comrades. What position does Comrade Erde himself take toward the Stalinists and reformists? Since the proletariat is weak at present, it must...look to the



Illustrated London News

Ethiopian field artillery, 1935

bourgeoisie for support. The weakness of the proletariat is in fact a result of allowing the bourgeoisie to do as it likes. And, if this passivity toward one's own imperialist government is raised to the level of principle, this serves not to strengthen the proletariat but only to undermine the future of its vanguard."

—"Remarks in Passing," 8 December 1935

The following exchange, between a supporter of the Canadian affiliate of the United Secretariat and a representative of the Bolshevik Tendency, occurred at Comrade Smith's 19 November 1988 Toronto forum:

Robert: I'm a member of Socialist Challenge, which is a sympathizing organization with the Fourth International, the USec organization that the brother was talking about. I'd just like to say first off that the perspective of Socialist Challenge in South Africa is one of permanent revolution, seeing that the struggle against apartheid for democratic rights and basic civil rights that have been won in this country is combined with the struggle against capital. It is a combined struggle. We see the need for there to be a socialist revolution and expropriation of the capitalist class in South Africa by the black workers. And not simply the black workers, but all those who would take part in the struggle for socialist revolution: blacks, colored, Indian and whites, all those who want to fight for a better future in South Africa; a socialist future in South Africa.

As far as sanctions that were talked about and detailing Reagan's swiss-cheese sanctions, of course we can't rely upon Reagan or the U.S. Congress which exercises rule in the interests of the capitalist class in the United States and worldwide, the interests of the big corporations—in South Africa, in Central America, around the world—of course we can't rely on them to fight a consistent struggle against apartheid, against capitalism in South Africa. And our organization has *no* illusions whatsoever that they will do so.

But we *do* see the need to put demands on the government, not in the sense that we have faith that they are in any sense out of the goodness of their hearts acceding to these demands *willingly*, but to [put] pressure on them, to force them to respond, to some degree *against* their own interests. I mean, if we don't believe that the capitalist governments give in to a degree or make certain concessions to the working class, I mean, that's just fantasy. Of course the bourgeoisie, under the impact of the struggle against their class interest, will back up.

And of course we don't see the need just for sanctions and begging Reagan or Mulroney for sanctions, we see the need for labor action, of boycotting goods coming to and fro on the waterfront. As in, I think, the example people should read maybe, the example in the BT paper about the actions they did in San Francisco. I think that was a good action. I would agree with that kind of action and Socialist Challenge supports that kind of labor action against goods being transported, goods being traded. And I think that's the way to go—organize those in the labor movement to boycott these things and no reliance on Reagan of course.

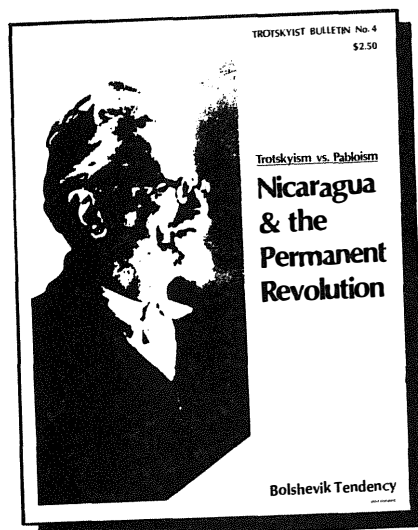
Tom (BT): ...our orientation toward the demand that the Canadian imperialist state act in a progressive fashion—whether it is in regard to South Africa or in regard to Nicaragua or any of the other features of what is a world imperialist system of exploitation and oppression—our attitude toward demanding that "our own" Canadian rulers and participants in this world system of exploitation act in a way which is diametrically counterposed to their own class interests and, in fact, diametrically counterposed to what we can see as the entire history of Canadian capitalism, our attitude is that for us as revolutionaries, as socialists, this can only create illusions among people who are looking for a lead from the left about how to fight imperialism.

Now there are those (and Robert makes the case about as well as it could be made), who say: well, on the one hand we'll tell the workers in Canada the main enemy is the Canadian capitalist class, and we must fight the capitalists in South Africa and we must fight the capitalists in Canada and the United States and wherever we happen to be, and we must see this as a world system with the working class on one side and the capitalists on the other side, and we must all struggle against them; on the other hand, it can't do any harm if we ask Joe Clark and Brian Mulroney [Canadian External Affairs Minister and Prime Minister] to be nice guys as well—at the same time as we fight them.

Well, we think that it *can* do some harm because we think that it is fundamentally necessary above all else to teach the workers and the oppressed that this is not an accident, what has happened to you, and it's not your own fault....This is a world system. Botha is their *ally*. He is their *friend*. They are working hand-in-hand with him. They think he's being a bit unwise, they're putting a bit of pressure on him as a friend would....We recognize that comrades of Socialist Challenge and other socialist groups are on our side of the class line. Within that camp, we try to put pressure; we try to influence those people; we try to convince them. Mulroney, Botha, Reagan—they're on the *other* side of the class line and that is exactly what they're doing.

And for us to be coming up, and indeed the United Secretariat unfortunately and not uncharacteristically did come out and said well, we support workers action on the one hand, and we support begging the capitalists on the other—and that is basically what divestment and [bourgeois] sanctions amounts to. That doesn't give the people who are listening to you a clear perception of the way things are organized and it doesn't give them a clear road forward. In fact, it confuses them and it makes the job of Brian Mulroneys and Joe Clarks—who get on TV and say well, you know, we're progressive capitalists and Botha is a reactionary capitalist so therefore vote Progressive Conservative—it makes their job that much easier.■

Nicaragua & the Permanent Revolution



Trotskyist Bulletin No. 4: documents of a political struggle within Socialist Challenge/Alliance for Socialist Action \$2.50

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Smash Apartheid Through Workers Revolution **Permanent Revolution & Black Labor in South Africa**

The development of powerful trade unions rooted in South Africa's black proletariat is one of the brightest chapters in the recent history of the international working class. Nowhere on earth have workers struggled against more desperate conditions or faced a more powerful, intransigent opponent. In the face of a fiercely racist state, armed to the teeth and supported by the overwhelming bulk of the privileged white population, black workers in the apartheid hell-hole have organized themselves into one of the most powerful trade-union movements in history and wrested a series of concessions from the white rulers. Their struggle has inspired workers and the oppressed around the world.

While the hated system of apartheid privilege remains intact, the continuing struggles against it—which have assumed an increasingly proletarian axis over the past decade—are living proof of the revolutionary capacity of the working class. The battle to uproot the entire system of apartheid is inextricably connected to the struggle for workers power in the industrial dynamo of sub-Saharan Africa. Contrary to the hopes of the “liberal” imperialists and South African capitalists, the apartheid system cannot be peacefully reformed—it must be smashed along with the whole social system of capitalist exploitation which produced it.

The centrality of the fight for workers power in the struggle to end apartheid—the perspective of permanent revolution—is one which is as yet fully understood by only a tiny minority of those involved in the movement. At the same time, in answering the concrete problems posed in this battle, the most advanced sections of the black workers movement have embraced aspects of this perspective. The lessons of the struggle to date, and their connection to the historical necessity to forge a Bolshevik party to lead the black proletariat and its allies in the struggle to smash the South African bourgeoisie and establish a black-centered workers government, is the subject of the following article, which is based on a public talk given last fall in both the Bay Area and Toronto by Bolshevik Tendency spokesperson Gerald Smith.

In June 1988, the black workers of South Africa staged a three-day general strike that shook apartheid capitalism to its foundations. Despite the fact that such actions are forbidden under the state-of-emergency regulations that are still in force, nearly two million workers stayed away from work, supported by tens of thousands of students. The strike was called to protest the banning of 17 anti-apartheid organizations, the clos-



ing down of various newspapers critical of the racist regime, and proposed anti-trade union legislation.

This defiant mobilization marked a new high point in the development of the organization and consciousness of the black workers, and demonstrated that they have not been cowed into submission. Despite the bannings, the beatings, imprisonment and murder, the black-based

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