

international
press
correspondence

INPRECOR

WILSON: STILL AT AN IMPASSE



WILSON: STILL AT AN IMPASSE by John Ross *PORTUGAL: A SECOND SETBACK FOR THE RIGHT by A. Udry
*AN ARAB AND IRANIAN FINANCE CAPITAL EMERGES by Ernest Mandel *INDOCHINA ON THE EVE OF A
NEW DRY SEASON by Pierre Rousset *BEHIND THE "CRITICIZE LIN, CRITICIZE CONFUCIUS" CAMPAIGN
*POLAND: GIEREK VS. THE WORKERS by Olaf Klarnat *DOCUMENT: DECLARATION OF THE BOLIVIAN
MINE WORKERS *INTERVIEW WITH A CHILEAN REVOLUTIONARY MARXIST *FRANCE: PSU DIVIDED ON
THE SP *THE DEATH OF MIGUEL ENRIQUEZ

BI-MENSUEL No.10 October 17, 1974 PRICE: 50 cents U.S. & Canada/20 pence Great Britain/25 Bel. francs

the death of miguel enriquez

We are publishing below the communiqué released October 7 in Paris by Edgardo Enriquez, member of the Political Commission of the Chilean MIR, upon the announcement of the murder of his brother, MIR general secretary Miguel Enriquez, by Pinochet's butchers.

The next issue of INPRECOR will discuss the present situation in Chile and the repercussions of the death of Enriquez. Here, we limit ourselves to saluting, all too briefly, the memory of the intransigent revolutionary Miguel Enriquez. We will continue to develop our total solidarity with the Chilean workers and militants hit by the ferocious repression.

* * *

The working class, the oppressed of Chile, and the militants of the MIR are in mourning at the same time that they are raising the banner of unity against the dictatorship. The general secretary of the MIR, comrade Miguel Enriquez, has fallen in courageous struggle, after having resisted the assault of his enemies for two hours, rifle in hand.

At his side was his comrade Carmen Castillo, seven months pregnant, who was wounded and arrested by the dictatorship. With the death of Miguel Enriquez the Chilean working class loses its bravest and most indefatigable organizer of resistance to the dictatorship.

The MIR loses its general secretary, founder, and incontestable chief. But Miguel Enriquez has left behind an example of struggle and a party that will continue to follow him and will be the nightmare of Pinochet and his henchmen. The work of the general secretary does not end with his death. The MIR comes out of this difficult test strengthened and tempered, determined not to retreat a single step in its struggle against the dictatorship.

Another member of the Political Commission of the MIR has taken up the general secretary's rifle and has taken command of the party. The party of Miguel Enriquez has men who will know how to take over for him and will be true to his example and his memory. The heroic death of Miguel Enriquez will amplify still more the work of this man, who was hardly thirty years old at the time of his death.

A physician and father of two children, he was the symbol of the Chilean resistance. Today his name and his example are the banners of those who have taken his place. His image will live on in the battles of the resistance, will strengthen the ranks of the MIR, will help those tortured to keep silent, and will inspire the great struggle of the workers and peasants of Chile.

From the coup right up to his death, Miguel Enriquez remained in Chile at the head of his party. On the very day of the coup he personally participated in armed confrontations with the gorillas. Later, he took personal charge of the clandestine reorganization of the party and struggled ceaselessly for the unity of the Chilean left.

Miguel and the Political Commission believed and still believe that the leadership of the party should be in Chile. The MIR will be able to intransigently apply the conceptions of its fallen general secretary and will be consistent with his combative and unitary heritage. Miguel Enriquez fell as a consistent revolutionary, using his machine gun against the gorillas. He knew no weakness and he pardoned none. No one has the right to shed tears over him.

His name will henceforth be inscribed side by side with that of Che and the other Latin American revolutionaries who have fallen struggling for the cause of the disinherited, for the workers and peasants revolution.

We call on all the world's progressive and revolutionary forces to organize a broad campaign of solidarity with his captive comrade to prevent Pinochet and his henchmen from assassinating or torturing her.

--GLORY AND HONOR TO MIGUEL ENRIQUEZ, THE FALLEN GENERAL SECRETARY!
--LET US MAKE THE NAME OF MIGUEL ENRIQUEZ THE BANNER OF THE OPPRESSED!
--THE MIR WILL NOT GIVE UP!
--ANOTHER COMRADE HAS PICKED UP THE RIFLE OF THE FALLEN GENERAL SECRETARY!
--THE PEOPLE'S RESISTANCE WILL WIN!
--LONG LIVE THE CHILEAN WORKERS AND PEASANTS REVOLUTION!

INPRECOR 12/14 rue de la Banderie - Brussels 1000 Belgium
INTERNATIONAL PRESS CORRESPONDENCE
Fortnightly information organ of the United Secretariat of the Fourth International published in English, French, Spanish, and German.

Signed articles do not necessarily represent the views of INPRECOR.

SUBSCRIPTIONS: 1 year (25 issues) - US\$10; Can \$10; £4; ¥ 3,000.
AIR MAIL TO U.S. & CANADA: \$16.00, TO JAPAN: ¥ 5,000. TO AUSTRALIA & NEW ZEALAND: US\$18.
SPECIAL SIX-ISSUE AIR MAIL INTRODUCTORY SUBSCRIPTION - \$3.50 U.S. & Canada; \$4.50 Australia, New Zealand, and Japan.
TO SUBSCRIBE; TO PAY BY PERSONAL CHECK OR INT'L. BANK MONEY ORDER: Send name and address to INPRECOR with check made to the order of GISELA SCHOLTZ.
TO PAY BY INT'L. POSTAL ORDER: Send name and address to INPRECOR. Send postal order to GISELA SCHOLTZ, 127 rue Jasse Impens, Brussels 3, Account No. CCP 000-1085001-56

WILSON



STILL AT AN IMPASSE

by JOHN ROSS

At first glance, the October 10 elections in Britain and the campaign preceding them appeared to have a most extraordinary character. Here is a country that every commentator, bourgeois and Marxist alike, agrees is in the throes of the worst economic and social crisis of any country in Western Europe, with the possible exception of Italy. It is also a country whose last government was brought down essentially by the threat of extraparliamentary working-class action led by the miners. In spite of all this, the election of October 10 was preceded by the least open show of enthusiasm or agitation of any election in years.

The pre-election lack of enthusiasm was capped by an abstention rate in the voting that shocked even the leadership of the victorious Labour party. The voting returns did indicate a shift of slightly more than 3 percent in the most working-class areas toward Labour. But the abstention rate in the election was significantly up -- by around 6-7%. Most significantly of all, this abstention was concentrated in the working class. In some of the central working class districts abstentions were as much as 12-15 percent higher than in February! The evening vote in the October 10 elections was the lowest in years, a reflection of the high abstention rate among workers, who generally vote after work. In fact, it was revealed after the voting that a projection poll based on the number of votes that had been cast up to 8:15 p.m. and assuming that the nighttime (largely Labour) vote would attain its usual levels predicted that Labour would carry the election by 100 seats!

Nevertheless, it would be a mistake to be taken in by the apparent somnolence. Gigantic social forces clashed in the crisis in Britain last winter. They have not ceased to operate since then. The apparent tranquility of the elections was not a product of an absence of underlying tension, but rather of a surfeit of it. The situation was like one of those wrestling matches in which the two contestants strain every muscle, but

for a while they are simply straining at each other, neither being able to move, neither finding a strategy to defeat the other. But as soon as one decisive shift is made, the apparent equilibrium is explosively overturned. What was proved by the October 10 elections is that even when the ruling class is in severe disarray and crisis, the Labour party cannot decisively win elections by running on a right-wing program that inevitably fails to galvanize -- or even catch the imagination of -- the working class. The narrowness of the electoral victory is precisely a reflection of the combination of the inability of the ruling class to organize its own forces and the fact that the leadership of the working class is projecting no clear orientation which even in a distorted way can provide a perspective for the rising struggle of the masses.

Winter 1973 and its aftermath

When Heath called the election of last February, both he and the ruling class believed they were taking an important decision about the development of the struggle in Britain. But the reality was different. Confronted with the miners strike, the ruling class had three tactical options, but no strategic ones.

The first option was to have granted the wage claims. But with the whole working class lined up behind the miners, this would have opened up a breach in the Incomes Policy through which the rest of the unions would have flooded.

The second option was to have attempted to break the miners strike through repression. Given the relationship of forces between the classes, this would not have worked in the best of cases. At worst, it could have provoked a general strike.

The third option, the one that Heath chose, was to attempt to use the political strength of the ruling class to outmaneuver

the trade-union bureaucrats. The Tories certainly did outmaneuver the bureaucrats, but the rank and file forced the miners union to call the strike anyway. Once that occurred, and given the ruling out of the second option, Heath's bluff had essentially been called.

Despite the tittle-tattle in the press about "options," the reality of the elections was very clear. The fundamental issues were not decided by the voting. Heath and the ruling class had already been defeated when the election was called. Indeed, calling the election was merely the acknowledgement of defeat -- and an attempt to gain a breathing space before the outbreak of even more decisive struggles. Even Heath was forced to admit that he would give in to the miners. Once that was done, it was inevitable that the rest of the working class would begin to try to push through the gap that the mine workers had opened. Of course, it was still possible for Heath to have won a small majority in the election, and that no doubt would have been tactically useful for the bourgeoisie, but the main fact was that any government that came out of such an election, regardless of its political coloration, would have been a weak government.

There is no doubt that the bourgeoisie decided to call the election because they were frightened that resorting to the option of repression might have led to an even more dangerous development -- the open challenging of the power and authority of the bourgeois state itself. Almost certainly, the bourgeoisie calculated correctly in this. But, as always, what is important is not what the bourgeoisie would like to do, but what it is capable of doing. The bourgeoisie succeeded in heading off a sudden and explosive development of the "French May" type. But given the relationship of forces, avoiding a French variant could be achieved only at the price of ending up with an "Italian" one, that is, a longer and more drawn out but just as deep working class upsurge. The bourgeoisie will see its institutions undermined in a whole series of steadily rising struggles instead of through a sudden, sharp confrontation.

To be sure, the difference is of tactical importance; but it can hardly be said that the ruling class is going to enjoy -- or deliberately choose -- either. The decisive factors in Britain today lie not in the will of the bourgeoisie but in the economic crisis and the working-class upsurge. There is only one area -- the North of Ireland -- in which forces objectively aligned with the ruling class have taken an important step forward. In Britain, the best the ruling class can achieve at the moment is the already frayed fig leaf of the "Social Contract." (See INPRECOR, No.1, June 6.)

Since last winter

The consequences of the outcome of last winter's crisis have continued to develop since then. As prime minister of the Labour government, Harold Wilson has attempted to carry out the policy of the Social Contract, but it is quite clear that the Social Contract is steadily disintegrating -- beginning in those issues and sectors where the hold of the bureaucracy is weakest. Almost immediately after the election last February, a fierce row broke out over Labour's policy on Chile. This was followed by strikes by nurses and health workers, which continued throughout the summer. Also during the summer, an intense round of antifascist struggles took place, leading to four national demonstrations. An important wave of struggles by women workers is beginning. In recent weeks, sections of the "heavy battalions" of the working class have started to join in, with an important series of strikes among auto workers and growing discontent about the agreements

negotiated by the bureaucracy of the miners union. The acceptance by the Trades Union Council (TUC) of the Social Contract is rapidly being revealed as tenuous. Not a single important union has put forward wage claims within the bounds set by the Social Contract. A very big series of workers struggles is on the agenda for the winter and spring -- although the bureaucracy will surely try very hard to head them off. Perhaps even more important, unemployment is beginning to bite under conditions in which the working class is obviously not going to sit back passively; already there have been a number of factory occupations. Since no government could do anything to avert the coming crisis, it is quite clear that the new Labour government will engage in fierce clashes with the working class during the winter and spring.

But while Labour is unable to satisfy the working class, it is equally evident that it cannot meet the needs of the ruling class either. No significant section of the bourgeoisie has any confidence in the ability of the Social Contract to keep the working class under control. Consequently, there has been a marked hardening of position within the ruling class since the February election, with, for example, a very abrupt shift to the right in the policies of the Confederation of British Industries.

But the ruling class shift is not fully reflected on the field of electoral politics. In Britain it is completely impossible to win an election without securing a significant proportion of working class votes. Before 1974 the Tories had never received less than one-third of the working-class vote. Naturally, unless the workers have been defeated, such votes cannot be won through violent attacks on the unions and the organizations of the working class. The Tories learned this -- to their regret -- in the February elections. For this reason, in the October elections Heath retired to a much more low-key "National Unity" approach -- which was not very convincing in view of the Tories' record on the question of the three-day week. Indeed, in his attempt to get the message across, Heath even offered to establish a coalition government, with his own resignation possibly paving the way for this.

The pre-election disarray in the ruling class was caused by the disparity between what the bourgeoisie considers economically necessary and what its main party considered politically feasible. Some representatives of the industrial bourgeoisie, the magazine *The Economist*, for example, became enamoured of the Liberal party. A section of finance capital in Scotland defected to the Scottish Nationalist party. Enoch Powell continued his Bonapartist operation by standing in the North of Ireland on an Ulster Loyalist ticket. Some Tory politicians, in an obvious play for the leadership of the party if Heath is dumped, began urging a policy of allowing unemployment to rise to 3 million and the setting up of citizens antifistrike militia. Other sections of the ruling class, represented by certain leading newspapers, appeared to have abandoned any hope of a party of the bourgeoisie winning the election and took to proposing a concerted effort to change the electoral system so as to bar any possibility of Labour ever winning a parliamentary majority in the future.

One thing is clear. The new government created by the October elections will not possibly be strong enough to meet the needs of the bourgeoisie. Most fundamentally, the working class is undefeated and has already demonstrated its ability to destroy policies, or even governments, that attack it frontally.

But if the bourgeoisie is in disarray, the Labour party is not much better off. The party's holding office and the crisis of the ruling class have temporarily bolstered the partisans of extreme right-wing policies within the party. The factors that pushed the party to make a left turn -- the bourgeoisie's moves

toward a strong state and the upsurge of the working class -- continue to operate, but these factors are held in check by the weight the right wing is granted by the party's being in government and by the fact that the ruling class crisis is so severe that Wilson can marginally win an election even with his line, which in the February election had succeeded in reducing the Labour party to its lowest total vote since 1935 and its lowest percentage since 1931. Now that Labour has won the election, the turn to the left is going to take the form of an acute crisis in the party -- either the ignominious collapse of the government in face of rising hostility of the ruling class and rising indifference of the workers, the split from the party of the extreme right, or the resignation of the "left" from the government.

Ironically, it was exactly this crisis in all the parties that produced the apparent calm and somnolence of the election campaign. The bourgeois parties were too weak to come out with an open attack on the working class movement. The Labour party's line was too right-wing to fill the working class with any enthusiasm that the socialist goal was at last within reach. The fascist movement was too weak to polarize the situation. The revolutionary left was not yet strong enough to come forward as a viable alternative. Hence the apparently unruffled surface.

But in spite of the apparent calm, the prospects are very clear and far from tranquil. The new government will face very big workers struggles in the winter and spring. From the standpoint of the working class it was tactically important for the Labour party to have won the election. The Labour victory will increase the confidence of the masses. In particular it will accelerate the process of politicization. The task of the revolutionaries in the elections was to prepare for the post-election struggles. It was this priority that determined the attitude taken during the elections by the International Marxist Group (IMG), British section of the Fourth International.

The IMG and the elections



The IMG raised four main themes in its intervention in the elections:

*The struggle against inflation, centering on the demand for a sliding scale of wages, a national minimum wage of £30 as a first step to a £40 minimum, equal pay for women, rejection of any form of Incomes Policy under capitalism, nationalization of the oil and food industries.

*The struggle against unemployment, centering on the demands for a reduction of the work week to 35 hours with no loss in pay, occupation of factories introducing layoffs, sharing of

all available work with no loss in pay, nationalization without compensation and under workers control of all firms creating redundancies, immediate nationalization of the motor and construction industries.

*The struggle for self-determination for Ireland, centering on the demands for the immediate withdrawal of British troops from Ireland, the ending of internment, the release of all Irish political prisoners, solidarity with the IRA.

*The struggle against the development of the strong state, centering on the demands for the organization of workers self-defense (especially of pickets), the disbanding of the Special Patrol Groups of the police, the ending of all joint army-police maneuvers, the introduction of full political and trade-union rights in the army, no platform for fascists.

In addition to these central themes, we were able in the period preceding the elections to carry out significant work on the questions of the oppression of women, solidarity with Chile, and the struggles in the health services. We also have been attempting to develop a campaign against Britain's membership in the Common Market.

In addition to these immediate campaigns, the IMG also advanced three slogans that sum up the general orientation it advocates for the period ahead:

*A trade-union plan for the nationalization of the economy under workers control. This is the logical extension of all the demands around factory occupations and nationalizations.

*A government responsible to the organizations of the working class and not to parliament. This demand assumes particular importance with Labour's victory in the elections. The strain between the government and the mass trade-union membership of the Labour party will be tremendous, despite the fact that the period of upsurge, with its possibility of developing new forms of working-class organization, will break out before any credible alternative working-class party to Labour emerges. Under these conditions, the essential orientation revolutionaries must give to the workers is to fight for a government that -- whatever its formal political membership -- will be responsible to the organizations that will develop out of the mass struggle. This provides an excellent opportunity to explain the nature of parliament to the working-class vanguard and to point out the type of alternative to parliament that must be created. This sort of campaign takes on special importance in Scotland, where concrete conditions allow us to put forward the slogan of a Workers Assembly counterposed to the bourgeoisie's project of a pseudo-parliamentary assembly. We explain that any such Workers Assembly would have an overwhelming Labour majority at the outset, but it would be a body to which the workers would have a qualitatively different relationship than they do to a parliamentary-type body. While such a slogan remains essentially propagandistic at present, it offers an orientation that can be concretized around initiatives such as conferences to organize struggles against attempts to close key industries and companies in Scotland and around themes of workers control over and nationalization of North Sea oil and the fuel industry. This has been a crucial issue in Scotland.

*A general strike to win the basic working-class demands on inflation and unemployment. This will be concretized in the form of the demand for a general strike for the sliding scale of wages counterposed to the Incomes Policy that the Labour government is most likely going to impose in the spring. This campaign is linked to popularization of the themes of the formation of strike committees and action committees and of the importance of workers self-defense.

The agitational slogan that was raised by the IMG as a summary

of its general orientation was "Vote Labour -- But Against the Social Contract." The IMG also gave critical support to

the candidates of the Workers Revolutionary party in the districts in which they were standing.

The broad workers vanguard and the IMG's tasks



The situation of the working class struggles to which the IMG is oriented is sharply contradictory at present. The combativity of the masses is extremely high, and the worsening economic crisis will undoubtedly be met with a big upsurge of struggle. Objectively, the workers resistance has continued to block implementation of the strategy of the ruling class and is now beginning to throw all bourgeois institutions into crisis. Subjectively, however, the process of politicization is proceeding slowly and unevenly. The organizing cadres of the working class will lead very broad working-class struggles in the coming period. These struggles will break the Social Contract, deepen the political crisis profoundly, and plunge the country into something approaching economic chaos. But despite the objective political impact of their actions, the vast majority of these cadres remain almost completely under the political and ideological domination of the Labour party, even though they are no longer under its organizational control. The combativity of this layer remains a constant obstacle to all the maneuvers of the ruling class. But subjective understanding of the political effects of their actions and the consequences that must be drawn from them remain limited among these organizing cadres of the class.

At a different level, it is clear that there is now a layer of workers -- especially young ones, and probably tens of thousands of them -- who have arrived at general political conclusions as a result of the sweeping economic and social cri-

sis of the past five years. There is no doubt that the developing crisis within the Labour party, caused by the forces leading it to make a left turn, has had considerable impact on all sections of the vanguard, most notably around the themes of Chile and nationalizations. Nevertheless, although the new broad workers vanguard has played a very important role in many working class struggles, its actions have remained fragmented among hundreds of focuses. The vanguard as a whole has not played a role in national politics on the scale seen in France or Italy, to take two examples.

The reasons for this are both objective and subjective. The objective reason lies in the fact that although the economic crisis in Britain between 1969 and 1973 was the most serious one in capitalist Europe (with the exception of Italy), the great historic reserves of British imperialism cushioned the impact of the political crisis, making it less overt and severe than it was in a country like France, where the economic crisis was much less severe. There was nothing even approaching the political crises seen in Italy or Spain. The vanguard consequently remained organized primarily around sectoral and trade-union struggles, instead of crystallizing around elements of the national and international political crisis. Although the consciousness of many young workers involved in the trade-union struggles went far beyond the immediate issues of these fights, the organized activity of the vanguard remained concentrated on this more narrow field.

The objective base for the relative absence of action by the mass vanguard as a factor in the political arena was decisively weakened by the collapse of the Heath government and its aftermath. The political crisis is now acute and open. The trade-union struggles will of course continue to be of enormous importance and weight, since the economic impasse remains the main cause of the political crisis. But the objective conditions for the vanguard acting on central political themes are now far more favorable than previously.

The crisis of the subjective factor, however, remains acute. The policies of the International Socialists (IS), the largest group on the revolutionary left, have already decimated the potential of the vanguard that emerged in 1966-68 out of the movement in solidarity with the Vietnamese revolution. The economist and sectoralist policies followed by the IS and the group's consequent inability to offer a political orientation to a broad political vanguard resulted in the reduction of the vanguard -- which at its height involved some tens of thousands of militants -- to a few hundred people who joined revolutionary organizations and a few scattered remnants that remained outside. If the IS were to retain hegemony over the emerging workers vanguard, this new vanguard would suffer the same fate; there is no doubt of that. A few thousand militants might join IS, but the potential of tens of thousands of workers who are now becoming politicized would be dissipated.

In this situation the responsibility devolving on the still relatively small forces of the IMG is very great. The development of the objective situation is toward a head-on confrontation between the classes. Since 1973 the IMG's strategic line has been toward preparing the optimal conditions for such a confrontation through an orientation towards a general strike and the creation of organs of dual power. However, turning such a line into a practical and effective element in the class struggle involves not merely agitation on the political themes outlined above, but also a concretization of our tactics in light of the particular development of the broad workers vanguard in Britain.

The central tactical problem confronting the revolutionary vanguard is how to overcome the extreme fragmentation and dispersal of the broad workers vanguard. The main medium-term organizational goal is the establishment of a revolutionary trade-union tendency. At present, however, neither the political nor organizational preconditions for this development exist. The general acceptance among the vanguard of certain key national demands and the increase in weight of the broad workers vanguard among the working class as a whole (as well as a much greater degree of national focus within the broad workers vanguard itself) are lacking. Under these conditions, the simple "proclamation" of such a tendency, or even its projection as an immediate possibility, would lead only to the creation of a sectarian "front group" grotesquely posturing as a mass organization but actually representing only the periphery of some revolutionary organization. This is the error that has been committed by the International Socialists, who refuse to distinguish between the organization of their own periphery and the much broader organization of the vanguard, thus combining organizational sectarianism with their tail-endist politics.

The IMG policy flows from an understanding that in order to create such a trade-union tendency, the political preconditions must first be created within the broad workers vanguard. (Primarily, this means gaining the common acceptance of certain key demands.) Consequently, while the IMG retains the trade-union tendency as an intermediate organizational projection, its orientation is focused around more limited and conjunctural united fronts able to unite significant sections of the broad workers vanguard and the revolutionary left in

action around common demands that both serve as immediate responses to the needs of the class struggle and begin to lay the political preconditions for the creation of a revolutionary tendency within the unions at a later point.

This orientation of the IMG is beginning to have some effect in overcoming the sectoralist fragmentation of the vanguard. During the autumn of 1973 the IMG was able to play an important role in helping to launch a campaign for the defense of workers on trial in Shrewsbury for picketing. This spring and summer the IMG was instrumental in launching actions and campaigns in solidarity with the Chilean people and against the British fascists. Both these campaigns drew in thousands of militants and brought about united action by the revolutionary left for the first time in a considerable period. In addition, both campaigns, particularly the one against fascism, penetrated beyond the periphery of the revolutionary left into the broader workers vanguard and the working-class movement itself. In the months ahead there is the possibility of developing such campaigns around the oppression of women (in the fight for a Working Women's Charter) and, particularly, around the issue of Ireland. Intervention to generate common action by the vanguard on the vital questions of unemployment and inflation remains far more difficult, in view of the vast forces involved in these struggles and the as yet relatively small implantation of the IMG in the working class. There is no doubt, however, that during the past period the IMG has quantitatively, though not qualitatively, strengthened its position within the vanguard and even within trade-union struggles, in which the organization has for the first time been able to play an active role. Our comrades' leadership of an exemplary struggle of oil pipeline construction workers in Scotland -- involving an elected strike committee, daily mass meetings, and a strike bulletin -- and the role we were able to play in creating an action committee that led important struggles among London teachers are the main gains made on this front so far.

The IMG remains aware of its relative weakness in face of the gigantic tasks confronting it. But there are grounds for cautious optimism. The gains we have made in our work and the fact that a period of crisis and regroupment is underway within the revolutionary left indicate that favorable conditions are emerging for the development of a powerful section of the Fourth International in Britain. Our task now is to capitalize on the gains of the past period and summon up all our resources to prepare for the working-class storms that will come after the elections. The return of the Labour government creates the best possible conditions for the rapid politicization of the working class vanguard. ■

October 11, 1974



A SECOND SETBACK FOR THE RIGHT

by A. UDRY

Spínola's second attempt to modify the relationship of forces on the governmental level, to set up institutions more capable of confronting the workers movement, and to hold back the decolonization process has failed. But this round was different than the earlier one last June (see INPRECOR, No. 5-6, August 3). First, the right and the far right made their first attempts to develop an attack of broad scope. Second, the mobilization of the mass movement was an important element in the response to Spínola's attempts and in halting the "attempted coup."

For the moment, the Armed Forces Movement (especially its "centrist" tendencies), the Communist party, and the Trade Union Federation have come out of the confrontation in strengthened positions. But none of the crucial questions has been settled. Instability and political crisis can only intensify.

The steps in an offensive

After the rout of "Operation Palma Carlos" -- which was an attempt to call a plebiscite on Spínola, set up a presidential regime, and postpone the elections -- and taking account of the weaknesses of the instruments it commanded for going into the elections scheduled for March 1975, the right sought to take the initiative again, using Spínola as a rallying banner. His prestige was supposed to guarantee the success of the maneuver. The differences that had emerged on the governmental level, especially in relation to decolonization, made a more or less camouflaged assault carried out under the pretext of supporting Spínola seem all the more credible.

Spínola chose to make his remarkable declarations at the moment when the "small whites" of Laureço Marques were responding to the accords concluded in Lusaka between FRELIMO and the government by taking to the streets, occupying the radio station, and "proclaiming independence." Thus, on September 10 Spínola explained that decolonization is a "process that does not consist, as some people naively think, in a pure and simple transfer of power to the organizations that led the armed struggle against the old regime." That was for the "African provinces," especially Angola. Then, for the situation in Portugal itself, he made his appeal to the silent majority: "The silent majority of Portuguese people must wake up and actively defend themselves against totalitarian extremists who are working in the shadows, utilizing well known methods to manipulate the masses . . . (who are) plunged into confusion after half a century of political ignorance." After this opening bid, Spínola announced on September 23 that he wanted to take total and sole charge of all affairs relating to decolonization in An-

gola. He wanted to reassure a part of Portuguese (and international) finance capital (which is strongly interested in the rich regions of Angola) and to hold back the process of decolonization. After all, on the same day he received a delegation of "Angolan personalities" headed by Francisco Lele, leader of the "Angolan Democratic party," who declared at the end of the interview: "Once again, the President has just saved Angola." He had done the same thing in July, when he received Mme. Joana Siméao, who explained the "dangers FRELIMO represented for Mozambique." And he met with Mobutu to discuss the settlement of the Angolan affair.

Concurrently, many far-right parties emerged out of these initiatives, calling themselves things like Progress party, Liberal party, National party. On September 19 posters started appearing, showing a square-jawed, bespectacled young executive-type with the words "silent majority" written across the mouth. The posters called for a demonstration to support the president of the republic.

A convergence was established between the bourgeois sectors that had taken part in the April 25 military coup (whether happily or not), like Champalimad, Galvão de Melo, Spínola, etc., and the far-right sectors linked to the Legion, to the most determined colonialists, like Casal Ribeiro, Franco Nogueira, Kaulza de Arriago. Within the "Junta of National Salvation" itself, elements like Galvão de Melo and Sanches Osorio (the minister of information) declared themselves in favor of the demonstration. Sanches Osorio was to issue a radio communiqué asking that the "pickets" and "barricades" set up around Lisbon on September 27 be taken down. Within the army, Spínola's project was supported by not negligible sectors, including, among others, the paratroopers of Tancos. The right and the far right were mobilizing. Right-wing "banquets" were flourishing. On September 25 they took place in Campo Pequeno, the "plaza de toros" of Lisbon. The anticommunist campaign was developing. Those sectors most closely tied to American capital and to sections of Brazilian capital, which are the sectors most attached to colonial exploitation, were supporting this offensive of the right and the far right.

Here it must be stressed that in fact the policy of the government and the Armed Forces Movement (AFM) was permitting these currents to acquire the room they needed to reorganize themselves. The intervention of the armed forces against the striking workers of the Jornal da Comercio, who were demanding the removal of Carlos Machado, the fascist director, and against the workers of Lisnave, who were demanding a deepening of the purge of fascist elements, combined to strengthen the various maneuvers of the far right. This was all the more

true in that the government proved to be very understanding toward the demands of the ex-PIDE (secret police) agents -- Galvao de Melo received a delegation of them -- and did not hide the financial support that these various groups were enjoying. The far-right organizations, with the support of a good part of the church in the North of the country, sought a social base among certain petty-bourgeois and peasant layers of the North, of Alentejo. But things had changed. Today, the peasantry no longer represents a decisive and sufficient support or important social base backing the maneuvers of reaction.

The response

Confronted with this vast far-right maneuver, the mobilization of the workers and youth developed and intensified, beginning on September 27. The counteroffensive really took hold on that afternoon; barricades were raised, the roads leading into Lisbon were controlled. The AFM did not intervene directly; the internal divisions restricted its possibilities of taking immediate initiatives.

The response to reaction's assault had a twofold dimension. On the one hand, the mobilization of the masses was far from negligible; on the other hand, during the second phase, the outcome of the confrontation was determined by the intervention of the Armed Forces Movement. There is no doubt that Spínola and the various circles that were part of the operation drew back at the moment when the relationship of forces within the AFM and between the AFM and the whole army clearly appeared to be favoring the centrist and left-centrist wing of the AFM. An open division in the army, with all that would imply in Portugal under the present situation, was possible if the test of strength had been prolonged. That certainly made the Spínolists think twice. But while it is incontestable that the relationship of forces within the AFM and between the AFM and the army and the eventual intervention of the AFM were decisive elements determining the result of the confrontation, it is also quite clear that the mobilizations of the workers and youth and the appeals of the Trade Union Federation, the CP, and the far left played an important role in the decisions that were made by the AFM. Moreover, the experience acquired by a section of the working class in this test of strength must not be underestimated. The refusal of typographers to print advertisements for the "silent majority" demonstration and the strike of the railway and streetcar workers remain important elements that can serve to concretize the far-left's propaganda around the theme of antifascist struggle. It should also be noted that some soldiers participated in building the barricades against the orders of some officers, that is, before the official appeal was launched by the AFM.

Nevertheless, a distinction has to be made between the mobilization on the one hand and the degree of politicization, the readiness of broad sectors of the Portuguese working class to intervene in the battle as an independent political factor, on the other hand. This weakness explains both the ability of the AFM to regain control of the situation and the limits of the crisis that followed the fall of Spínola. It is here that one can see the differences between the development of consciousness among the Italian, Spanish, or French workers and the Portuguese workers. In Italy, Spain, or France such a confrontation, the failure of a maneuver like Spínola's, would have touched off a crisis of great breadth. This factor must not be overlooked. It allows for an understanding of the fact that despite the extreme institutional weakness of the bourgeois regime, the situation still remains what it is today; so much so that the immediate results of the events of September 27-29 appear to be the establishment of the "Sundays of national effort," the voluntary Sunday work programs. The weak level of politicization results from the weight of forty years of fascism, the fragmentation of the working class, the nonexistence

of a mobilization on a national scale, and the persistence of democratic illusions. It is exactly because of all this that the Portuguese Communist party is able to maintain the hegemony it holds over the working class. At the same time, however, that hegemony reinforces these illusions. Thus, the CP was a not unimportant factor in the credibility Spínola had acquired, and in this sense, the CP contributed to facilitating the Bonapartist operations of the butcher of Guinea-Bissau.

In the same manner, the CP today is placing a halo around the heads of the AFM. Ever since September 29, it has been relegating the role played by the workers mobilizations in checking Spínola's operation almost to parenthetical remarks; the main light is shined on the function of the AFM as the only "guarantor of democracy." Consequently, the AFM has come out of the crisis as one of the main winners. In the present institutional crisis of the Portuguese bourgeoisie, the function as hinge of power for the bourgeoisie that the AFM is playing tends to be very much hidden by the policy of the reformist parties and even by some of the centrist currents.

Aftermath of the crisis

While the fall of Spínola did not lead to an explosion of great scope, it is no less the case that the crisis and the instability can only be prolonged. On the economic level, inflation is rising rapidly. It has now reached the rate of 33 percent a year. Unemployment is growing at an accelerated rate and is being intensified still more by the return to Portugal of immigrant workers driven out of other European countries by restrictive measures and by the return of the "small whites" and the soldiers from the "African provinces." The flight of capital is still expanding. On this field, the government's concessions can only be strictly limited. Goncalves has already proven this by raising the prices of basic necessities. In his October 6 speech in Porto he declared: "Today, to be impatient is to be a fascist. We are now working out democratic laws, and the people must help us to strengthen our democratic conquests. . . . The task will not be easy, for Portugal is at the tail end of Europe. The people must be aware of our limitations. We cannot have a guaranteed minimum wage like in France or Germany." (Le Figaro, October 10, 1974.)

The institutional vacuum is added to this objectively narrow maneuvering room on the economic field. And this is the situation during the approach of elections. Finally, the decolonization process is not over in Angola. Because of the size of the white colonial population, the divisions within the liberation movements, and the riches of its subsoil, Angola poses more complicated problems for the provisional government than did Guinea-Bissau and Mozambique.

Decisive sectors of the bourgeoisie have tried twice -- in July and in September -- to avoid the coming electoral test by carrying out presidential and plebiscitary operations. Both attempts failed. For the CP and the SP, all compromises are permissible, provided they allow for the achieving of the objective that appears as the justification for their whole policy: the "free elections" to a constituent assembly in March 1975. Any efforts by important sectors of the bourgeoisie to postpone these elections to an indefinite date will be very difficult for the CP and the SP to accept.

But nothing was settled on this matter after September 27-29. The time the bourgeoisie had to get ready for the elections or launch an offensive to regain more solid control prevented either of the two projects from bearing any fruit. The right seems dispersed after the fall of Spínola. Given the current relationship of forces, its only alternative is to rally around

PORTUGAL

a center or left-center formation like the PPD (People's Democratic party, the party of Sá Carneiro). But this party does not have a very broad influence; its presence in political life is limited, even though it does participate in the provisional government along with the AFM, the CP, and the SP. Its ability to respond to the influence of the CP on the electoral field is more than limited. According to many Portuguese journalists, the CP could receive 20 percent of the vote or more.

In this context, the function of the AFM appears more clear than ever. To be sure, it is not a homogeneous movement; various tendencies coexist within it, although the center and center-left were strengthened by the September 27-29 events. Moreover, Costa Gomes represents a link with the sectors of the army that are now coming into conflict with the AFM. Nevertheless, substantially, this movement represents the key prop of the regime of a bourgeoisie suffering an extreme crisis of political leadership and a crying lack of an instrument to work with in the traditional framework of bourgeois democracy.

The initiatives taken immediately after the night of September 28-29 and after Spínola's resignation shed light on the function of the AFM and its foremost governmental representative, Vasco Gonçalves. There were many calls for national unity and even homage to Spínola, "his former comrade in arms and vigilance."

In the course of several interviews before and after the end of September, Gonçalves clearly indicated the character of the program of the AFM. On this point, there are many in the most enlightened bourgeois circles who are not kidding themselves. Thus, the prime minister declared: "The program of the Armed Forces Movement involves no basic reforms and no substantial changes in the socioeconomic system under which we are living." (*Le Monde*, October 1, 1974). The priority tasks in Portugal today are: "to do a lot of work, and it is essential that cooperation among all the workers be total. I am speaking not only of the workers of the factories and fields, but also those of the offices, the managers, the investors. . . . There is no doubt that we have to deal with the three problems (unemployment, inflation, unutilized land), but we will have to face others too: economic development and foreign investment." (*Nouvel Observateur*, October 7.)

These choices by the AFM had already become clear when it passed its antistrike legislation, which bans all political strikes, occupations, solidarity strikes, and isolated and sectional work stoppages that block production; it also requires seven days' notice before beginning a strike, which cannot begin any sooner than thirty days after presentation of the list of demands. At the time this legislation was passed, a reporter from the *Financial Times*, the main organ of British capitalism, wrote: "But the presence in the government of officers of the Movement of the Armed Forces undoubtedly gives the cabinet more authority. They have contributed to the successful promulgation of legislation." (August 29.)


The army's intervention against strikes and the measures taken against the far left expose the essential function of the Armed Forces Movement better than a thousand speeches. Nevertheless, it remains true that this movement is not a monolithic one; various political trends work in it, and this enables it to manifest attitudes on certain occasions allowing it to coopt a mass movement whose politicization is meager.

On October 2, to close the crisis, the Confederation of Portuguese Industry affirmed in a telegram sent to Gonçalves and then made public that the confederation would back him, especially since the brigadier prime minister had manifested "great responsibility" in various speeches given since the fall of Spínola. That support is clear proof that in the present situation the bourgeoisie considers the AFM as the backbone, even if a weak one, of its rule.

The Portuguese Communist party was also strengthened by this first confrontation. The CP -- along with the Trade Union Federation, which now claims some 2 million members -- appeared as capable of mobilizing considerable forces and of being a determining factor in "blocking reaction." This will most likely contribute to consolidating the CP's position among broad sectors of the working masses and to covering up its policy of rotten compromise; it will also probably strengthen the CP's position relative to the far left.

One of the CP leaders affirmed: "Whatever may be thought by the reactionaries, who are surprised at our strength, we have no intention of imposing a Popular Front government." (*Express*, October 7-13.) In fact, the CP's policy of national union implies throwing the maximum weight to the role of the AFM. In the present situation, the bourgeoisie, which still faces the March 1975 deadline, might well try some new maneuvers. In the event of a major crisis, one of the bourgeoisie's options could be a presidential operation this time launched by the AFM itself, by this "guarantor of democracy," as the CP calls it. The CP would then have some difficulties making the turn.

In any case, however, the instability will certainly persist, without this implying that sharp turns are impossible. The politicization of the workers -- through strikes and demonstrations like those at TAP (the Portuguese air lines), Lisnave (shipyards), and the barricades of the afternoon and evening of September 27 -- will continue to develop. It is more than likely that the real confrontations, the mobilizations that will open the road to a political intervention on a new level by broad sectors of the working class, will develop in a future phase. In this sense, the intervention of revolutionary Marxists in the counteroffensive against reaction, in the trade unions and the workers struggles, in systematically denouncing the CP's strategic project, and in the central political question (the question of the government) will be an important element in assuring the victory of the working class. ■



AN ARAB AND IRANIAN FINANCE CAPITAL EMERGES

by ERNEST MANDEL

The increase in oil prices since the October War of 1973 has considerably increased the currency incomes of the oil-producing countries, especially the Arab oil producers and Iran. This enormous income -- estimated to reach \$75 thousand million during 1974 -- can be utilized in the following ways:

1. It can be hoarded, that is, held by central banks in the form of backing for national currencies or in the form of gold or currency hoarded by private proprietors.
2. It can be placed on a short-term basis in foreign banks or international institutions or utilized to purchase public short-term bonds in the imperialist countries (treasury bonds).
3. It can be spent unproductively on importing materials that do not enter into the process of reproduction of commodities: arms, luxury items, and so on.
4. It can be used to import productive goods serving to accelerate the accumulation of capital and the production of commodities within the oil-producing countries. (Imports of food and consumer commodities serving to reproduce the labor force also fall into this category.)
5. It can be put into long-term investments abroad. Here several categories must be distinguished:
 - * investments in liquid values (stocks and bonds)
 - * nonliquid investments
 - * buying of shares in industrial, financial, commercial, or transport companies and the creation of new firms of this type with participation in the management.

Of these five forms of utilization of "petrodollars," only the first has a deflationary effect on the economy of the imperialist countries and may therefore be considered a supplementary, although extremely marginal, factor in the economic recession now under way. To speak, as do certain politicians in imperialist countries, of "sixty thousand million dollars withdrawn from the Western economy" because of the balance of payments deficits of some imperialist countries is to forget that the majority of this \$60 thousand million remains in the West or is returned

there in the form of payment for supplementary commodity purchases or in the form of various investments.

In fact, the opposite thesis has much greater foundation. By being placed on a short-term basis in American or European banks, petrodollars feed the inflation of credit and thereby the inflation of paper money rather than contributing to deflation.

It is true that part of these petrodollars have served to "soak up" American and English treasury certificates, which are thus withdrawn from their usual buyers (the private banks), and this has contributed to reducing these banks' possibilities of extending credit. But the real cause of this restriction of credit lies not in the buying of short-term public bonds by the oil exporters, but rather in the fact that the American and British central banks, engaged in a deliberate policy of deflation and restriction of credit, have not expanded the volume of their operations on the world monetary market in proportion to the growth of the purchase of these bonds by the "Arab sheikhs."

At present, it is difficult to estimate the proportion in which the income of the oil producers is divided among the five means of utilization mentioned above. In general, however, it can be estimated that \$30 thousand million will be used in 1974 to increase imports of commodities and to make various investments within the oil-producing countries (categories 3 and 4), while \$35 thousand million will be invested abroad (categories 2 and 4), the rest most probably being hoarded.

The investment programs already planned by the oil-producing countries for coming years are extremely extensive. Saudi Arabia has developed a five-year plan whose budget is about \$60 thousand million (at the current value); Algeria has a four-year plan for 1974-77 calling for \$22 thousand million of investments. Kuwait plans to invest more than \$4 thousand million in the 1974-75 fiscal year alone. It can thus be predicted that the cumulative balance of payments deficits of the imperialist countries arising from the high oil prices, all other things being equal, will diminish considerably in coming years because of the increase in the supplies of equipment, patents,

and technical assistance they will send to the oil-producing countries. This is not true of the balance of payments deficits of the semicolonial countries that do not export oil; their deficits threaten to worsen.

A new finance capital emerges

At the Tenth World Congress of the Fourth International, many delegates were surprised, and probably even a little shocked, at our assertion that the enormous and rapid accumulation of capital in the hands of the owning classes of the oil-producing countries due to the big rise in oil prices was giving rise to the emergence of a new, autonomous Arab and Iranian finance capital.

Since that time, what had appeared as a potential tendency has fully flowered. The purchase by the shah of Iran of 25 percent of the stock of the West German Krupp trust was the generally perceived signal of the appearance of a new, independent sector of international finance capital.

Finance capital is banking capital (money capital) that is invested in the productive sector (industry, transportation, etc.) and participates in the control of these sectors, even monopolizing that control. In this sense, it is distinct from rentier capital, which is content to hold stock portfolios and clip coupons.

The information that is steadily flowing in about the behavior of the possessing classes that are collecting the income from the export of petroleum leaves no room for the slightest doubt that the dominant sections of these classes are now going beyond the stage of rentier parasitism (of the type of the old Egyptian pashas) and are beginning to behave as typical representatives of finance capital.

The case of the Iranian bourgeoisie, which henceforth will be represented in the administrative council of the Krupp trust, is in no way an isolated example. In the field of real estate, the Kuwait Investment Company, founded in 1961, has bought the island of Kiawah in the United States, where it intends to create a big tourist center. It has taken a predominant share of a redevelopment project in the center of the city of Atlanta, Georgia, also in the United States. It has launched a gigantic public offer (a total of \$260 million) for the St. Martin's Property Corporation in London. It has also acquired control of two maritime companies, one linking Cyprus and Britain, the selves, Arab finance capital, associated with big imperialist monopolies (with the Arabs often holding financial and political control), is engaged in a whole series of big industrial projects. The Saudi Arabian company Petromin, together with the Marcona international consortium (including American, Japanese, and West German groups), is building a \$500 million metallurgical factory in the Jubail region of Arabia. The Arab Maritime Petroleum Transport Company owns four oil tankers with a total value of \$240 million. The emirate of Abu Dhabi is launching a \$300 million project to build a liquified gas factory on Das Island in association with an American and a Japanese group. Saudi Arabia is building a \$100 million nitro-grain factory with the German trust Hoechst; it is building a \$300 million methanol gas factory with the Houston Natural Gas Company, and a petrochemical complex in Jubail with the Japanese Mitsubishi trust. Dow Chemical is associated with Iranian capital in building a \$500 million petrochemical factory in Iran. A Franco-Lebanese group around J.J. Carnaud and Forges de Basse-Indre are associated with a private Saudi group in manufacturing metal containers (59 percent of the capital is Saudi). And last week the news

came through that the shah of Iran was instrumental in bailing out the bonds of Grauman Aviation in the United States, which is manufacturing the Phantom fighters.

Veritable banks and investment companies (in which Arab or Iranian finance capital is generally dominant) have been created in association with the greatest names in imperialist finance capital in order to finance industrial and other projects. Some examples are: the Union des Banques Arabes et Françaises (Crédit Lyonnais); the Banque Arabe et Internationale d'Investissements (with a consortium of thirteen European banks); the Compagnie Arabe et Internationale d'Investissements; the Middle East International Fund; the Arab Bank of Jordan; the El Ahli Bank of Kuwait; the Banque d'Investissements et de Financement INF (the Audi Lebanese bank, plus private Arab stockholders, plus the Hambros Bank of London, plus Namura Securities of Tokyo, plus the Banques Populaires of France); the Compagnie Financière Arabe (54 percent Arab shares and 46 percent divided among the Bank of Tokyo, Manufacturer's Hanover Trust, and the Banque de l'Union Européenne); the Kuwait Investment Company; and the Kuwait Foreign Trading Contracting and Investment Company.

The last-mentioned outfit is feverishly working at creating financial and industrial enterprises in the Middle East and Africa. It has created investment societies in Egypt, the Sudan, and Senegal. It has participated in launching enterprises in Egypt (cement), Uganda (a tannery), the Sudan (a transport company), Senegal and Nigeria (a real estate firm).

The balance sheet is clear: We are dealing here with the activity of enterprising finance capital and not with a parasitic rentier capital. The best table of the connections of Arab and Iranian finance capital was published in the September 26, 1974, issue of the French employers magazine *Entreprise*.

Just stooges for the oil trusts?

Two objections have generally been advanced to our thesis that a new autonomous Arab and Iranian finance capital has emerged.

According to the first group of critics, the Arab and Iranian governments and businessmen are nothing but stooges for the oil companies, particularly of the Rockefeller group (Exxon, formerly Esso). A number of factors have been variously cited in support of this objection: the enormous superprofits raked in by these trusts since the October War; the fact that a not negligible part of the petrodollars are deposited in the Rockefeller-controlled Chase Manhattan Bank; the sensational re-entry of the Rockefeller group into the Egyptian market; the policy of Kissinger (a former adviser, very well paid, of Rockefeller) obligating Israel to gradually withdraw from some of the occupied Arab territories. For the most paranoid representatives of this version of things, even the Watergate affair and the accession of Nelson Rockefeller to the post of vice-president of the United States were part of a vast conspiracy of the oil trusts.

It is incontestable that these trusts have made fat profits from the oil price increases decided on by the governments of the cartel of oil exporters. It should be stressed that this includes not only American trusts, but European ones as well, Royal Dutch Shell and British Petroleum, for example. There is no reason to deny that there is a certain confluence of interest between the Arab and Iranian finance capital (and governments) on the one hand and the imperialist oil trusts on the other.

But it is one thing to affirm that there is a certain confluence of interest between two separate and autonomous groups of capitalist proprietors and quite another thing to affirm that there is an identity of interests between them or that one group is clearly subordinate to the other. It is sufficient to examine the development of the "oil crisis" during past months to see that the thesis of an identity of interest between the Arab and Iranian owning classes and the imperialist oil trusts is untenable.

During the last meeting of the OPEC (Organization of Petroleum Exporting Countries), it was decided not to change the sales price of oil, but only to increase the charges and taxes payable by the trusts. The exporting countries warned the Western consumers that any new increase in the consumer price would be the result not of an arbitrary decision of the Arab and Iranian governments but of the refusal of the trusts to pay for the taxes by reducing their superprofits.

More important than that decision, which nevertheless had a symbolic value, is the fact that the governments of the Arab countries are now transferring ownership of the oil wells -- to their own benefit and at the expense of the imperialist trusts. Exactly how the nationalization of Aramco corresponds to the "interests" of the Rockefeller group is a mystery that our critics have yet to shed light on.

A variant of this objection consists in stressing the exclusively or principally political nature of the increase in the price of oil. According to this view, the aim of the Arab governments is not to accumulate capital, but to oblige the imperialist governments to abandon their one-sided support to Israel in the Arab-Israeli conflict.

That the Arab governments are seeking to use their new economic and financial power to modify the political and military relationship of forces in the Middle East in no way contradicts the thesis of the constitution of a new Arab and Iranian finance capital. It would remain to be explained how the bourgeois governments of Iran, Nigeria, and Venezuela -- all of which are taking part in the policy of raising oil prices -- happened to have acquired an identical primordial political interest, an explanation that is that much more difficult to come up with when account is taken of the manifest antagonism between the regime of the shah of Iran and that of the Iraqi Baathists, an antagonism that far and away transcends the largely nonexistent sympathy of the shah for the Palestinian cause, not to mention his sympathy for Arab nationalism, which is nil.

It is obvious that what unites all these owning classes is not a common political interest or project, but the possibility at a given moment in the history of international capitalism in decline of profiting from a major redistribution of the surplus value extracted on a world scale from the proletariat and semi-proletariat. This redistribution is to take place at the expense of the imperialist bourgeoisie and to the profit of the bourgeoisie of certain semicolonial countries.

Following the second world war, imperialism generally saved its domination of the countries of Asia, Africa, and Latin America (with the exception of China, North Korea, North Vietnam, and Cuba) by transferring political power to the local ruling classes, transforming its direct rule into indirect rule, and elevating the colonial bourgeoisie to the rank of junior partner in its exploitative enterprise. But it succeeded in carrying out this transformation without any major transfer of surplus value, of profits. Now the colonial bourgeoisie is cashing in on twenty-five years of colonial revolution, presenting its bill -- and a spicy bill it is! It is demanding a major part of the surplus value extracted from the producers of the semicolonial countries. In the oil-exporting countries, it

has done this, at least temporarily, by taking advantage of an eminently favorable conjuncture.

To get an idea of the enormous haul that is involved here, one must take account of the fact that the average cost of extracting one barrel of oil in the Middle East does not exceed 10-12 U.S. cents. Two years ago, the oil companies were asking \$2-3 for that barrel! Today, they are selling it for \$11.65 (to which, obviously, must be added the profits they make in transportation, refining, wholesale reselling, etc.). But of that \$11.65, the amount of surplus value going to the owning classes of the exporting countries was \$9.23 before October 1, 1974, and has been \$9.74 since that date. Before October 10, 1974, \$2.42 remained in the hands of the oil companies (\$1.99 since that date). That still represents more than ten times the cost of extraction!

Once upon a time, the surplus value was divided 90% for the oil trusts and 10% for the local owning classes. Later, the proportion moved to 75%-25%, then to 67%-33%, then to 50%-50%. It has now been turned around to 20%-80%, if one considers only the price of the oil exported by the producing countries. Taking account of all the profits made by the trusts in transport, refining, distribution, and so forth, the division is still not very far from 40%-60%.

The revenge of the Third World?

The second objection to our thesis of the emergence of an autonomous Arab and Iranian finance capital comes from a diametrically opposite direction from the first. It affirms that it is not a question of a re-division of profits among possessing classes, but rather of a general revenge by the "Third World," a counterattack of the "poor countries" against the "rich countries." There are countries, this thesis runs, who have based the whole of their "prosperity" on "cheap energy." This era has now been turned around. The peoples of the "Third World" are now going to improve their living standards at the expense of the rich peoples. Furthermore, is it not true that most of the petrodollars are held by state or public institutions? How can one talk of "finance capital" when one is dealing with public property? Won't the income in dollars benefit all the inhabitants of the exporting countries?

Let us state right off the bat that the claim that the Arab and Iranian banks and investment companies are all or nearly all public institutions is vastly exaggerated. The Kuwait Foreign Trading Contracting and Investment Company has 25% of its stock in private hands. In the Kuwait Investment Company, the private shares account for as much as 50%. In most of the joint banking ventures referred to above, the private stockholders are not all foreigners; some are Arabs. Their share of the stock approaches or surpasses 50%.

Next, let us recall that in the semicolonial countries the separation between "public" and "private" is often largely fictitious, just as it was during the era of primitive accumulation of capital in Europe during the sixteenth, seventeenth, and eighteenth centuries. The sheikhs, emirs, and kings treat the public budget as their own private domain. Corruption, theft, and extortion are the classic sources of private accumulation of capital by the high dignitaries and functionaries of all these countries.

And that, we might say in passing, is the qualitative difference, which reveals a difference in class structure, between these countries and the bureaucratized workers states, despite the apparent similarity in the matter of the nationalization of the

large-scale means of production. The Soviet and Chinese bureaucrats endow themselves with considerable material advantages in consumer goods. But they are unable to accumulate private capital in the manner of a Trujillo, a Houphouët-Boigny, an emir of Kuwait, a president of the Philippines, or even a simple, corrupt Hong Kong police chief, who has just been accused of having accumulated the equivalent of 1 million American dollars in the space of a few years in the form of bribes paid by gangsters.

The assertion that the "Arab masses" as a whole will benefit from the oil price increase is true only in the exceptional and marginal cases of very sparsely populated countries like Kuwait. The per capita income in Iraq, which is a large oil exporter, presently stands at about \$370 per year. In Egypt it is \$220. In spite of all the projects of "Arab solidarity," in spite of the Kuwait Fund for Arab Economic Development, in spite of the Arab Bank for Economic and Social Development, the Arab Investment Company, and the Saudi Arabia Development Fund -- which taken together command several thousand million dollars -- these figures will not increase substantially in coming years.

The notion of "Arab solidarity" is scarcely appropriate as far as distribution of investment of surplus value is concerned. In this regard, let us cite the British daily *The Guardian* of October 9, 1974: "The fact is that immense question marks hang over the security and profitability of large-scale investment in the Third World. And in this respect, the Gulf oil rulers or the shah of Iran operates on as faultless a capitalist basis as any corporation or bank in London or New York."

If that's where "Arab solidarity" stands, even more of the same goes for "solidarity of the peoples of the Third World." Of an expected net oil income for 1974 of \$75 thousand million, the oil-exporting countries will accord only about \$3 thousand million to the semicolonial non-oil-exporting countries in the form of aid. That is but a fraction of the additional expenses that will be imposed on these countries by the rise in oil prices.

To be sure, the investment of a part of the growing income of petrodollars in some Arab countries and Iran will accelerate the economic development of these countries. They will thus end up having an infrastructure, including an infrastructure for heavy industry, which will favor their industrialization. That, after all, is what capital, finance capital included, accomplished in other countries, in other epochs, and under other circumstances. But here it is a matter of a capitalist development, which in no way will guarantee a rapid, not to mention automatic, rise in the living standards of the masses (except, we repeat, in half-empty countries like Kuwait and Libya).

Capital investments will be made on a priority basis in sectors with a very high organic composition of capital, sectors that employ a small labor force (petrochemicals, organic chemicals steel). The ravages wreaked on the peasantry and artisans by inflation and the extension of the money economy threaten to eliminate many more jobs than the new, ultramodern industry will create. Endemic unemployment and underemployment will continue to rack Iran, Egypt, Algeria, Iraq, and Syria, not to mention the even less developed Arab countries. Under the pressure of this unemployment and the general consequences of a social structure dominated by the accumulation of capital (including, more and more, of private capital), the gap between rich and poor, capital and labor, will widen rather than disappear. The Brazilian model of growth is there to confirm this. Thus, it is not a question of a "victory of the poor countries over the rich countries," but very clearly a redistribution of world surplus value among different groups of owning

classes, even if some of the inhabitants of the countries involved may obtain a few crumbs left over from this rich banquet.

Law of uneven and combined development

For this same reason, it would be premature (to say the least) to conclude from the emergence of a new autonomous Arab and Iranian finance capital that the social character of the Arab countries and Iran has changed, that they have been transformed from semicolonial countries into new imperialist powers. Financial ownership of the principal industrial companies of a country is only one of the criteria determining its character as a semicolonial or imperialist country. The social structure, the degree of underdevelopment, the weight of pre-capitalist survivals in its relations of production, its place in the world market, the nature of its political regime, and the nature and composition of its ruling class are some of the factors that must be combined with the first in determining the character of the country.

The sections of the Arab and Iranian owning classes that embody and direct the new autonomous finance capital of these countries are composed neither of managers nor of engineers, but of proprietors who maintain their grip on the land, the state, and the ultra-parasitic forms of rule. This not only means that technological know-how must be imported from the imperialist countries, which demonstrates the dependence of these countries and imposes the form of joint ventures on the important industrial enterprises. It also means that the new finance capital (like Russian finance capital before 1917) has no interest in a real agrarian revolution, which would deprive it of an important fraction of its holdings. But without such an agrarian revolution, no decisive break with underdevelopment is possible.

The appearance of an autonomous Arab and Iranian finance capital -- like the emergence of an autonomous Brazilian finance capital -- marks the beginning of a process of change, and not its end. Should the imperialist powers unleash a military aggression against the Arab countries to recover control of oil resources, it would clearly not be an inter-imperialist conflict in which the world proletariat should not take sides. On the contrary, it would be an imperialist attempt to maintain and reinforce the dependent semicolonial status of the Arab countries threatened with collapse. It would be a war of plunder by the imperialists and their agents to get their hands on the oil of others. On the part of the Arab countries, it would be a legitimate war against foreign plunderers for defense of the right and possibility of freedom and independence. Under these conditions, the sympathy and support of the world proletariat would be on the side of the Arab countries.

But approaching the problem from a class point of view, in no way can the conflicts between imperialist control and the attempts of the Arab countries to establish independence, even if under the leadership of their owning classes, be given priority over the conflicts between the Arab masses and their own ruling classes. To keep quiet about these conflicts or to try to push them to the background under the pretext of "Arab anti-imperialist solidarity," not to mention "Third World solidarity against the rich countries" would be to pass to the other side of the barricades, that is, to support the exploiters against the exploited.

Precisely to the extent that petrodollars stimulate the formation of an autonomous Arab and Iranian finance capital, they

will stimulate the development of capitalism, of capitalist industry, of capitalist exploitation, of the capitalist decomposition of the ancestral village. The development of capitalism is inevitably producing the development of class struggle between Iranian and Arab capital on the one hand and the Iranian and Arab workers on the other, just as it did in Russia at the end of the nineteenth century. The more this class struggle develops, the more the autonomy of Arab financial capital will run up against a political, social, and military limit: its dependence on imperialist support in holding back the threatening social revolution.

In the Western press, much emphasis has been placed on the terrible political risks of an imperialist military intervention in the Middle East aimed at reestablishing imperialist control of the oil wells: a new rise of Arab nationalism, the emergence of new political leaderships even more strongly anti-imperialist than the Nasserists and Baathists of the past, a considerable increase in the influence of the Soviet bureaucracy in the Middle East, etc.

This is all incontestable. But the other side of the coin is often forgotten: the risks courted by the Arab owning classes in the event of a new rise of a mass movement that is not only anti-imperialist and antifeudalist, but more and more clearly anticapitalist.

If Sadat has eliminated the Soviet presence in Egypt and if the Arab bourgeoisie today is trying to eliminate this presence throughout the Middle East, it is not simply a matter of a diplomatic maneuver offered in exchange for a softening of the pro-Israeli policy of American imperialism. It is also because the Arab ruling class, progressively transforming itself into a bourgeois class, fears all anticapitalist forces. That is why a civil war raged for years in Yemen, why it is still raging in Dhufar, and why it could break out in the future in Jordan and even in Saudi Arabia or Iran. The Arab and Iranian ruling classes know very well that they have no other effective source of aid against their own exploited masses than that which they can get from the imperialist powers.

Under these conditions, the blackmail that is being used by both sides in the sordid bargaining over the redistribution of surplus value is a blackmail that is limited by a clear consciousness of common interest, which the international bourgeoisie can put in danger only by threatening its own very existence. There are times in the history of imperialism, and

of the bourgeoisie in general, when it is driven to risk everything in an attempt to win everything. But it has not been demonstrated that things have already come to that point, not in Washington, nor in Riyadh, and certainly not in Teheran.

The totality of the transformations that are expressed in the emergence of an autonomous Arab and Iranian finance capital built essentially through the accumulation of petrodollars can best be summed up as a new illustration of the law of uneven and combined development. After the second world war, the delay of the socialist revolution permitted a temporary new expansion of the productive forces. This occurred under imperialist domination, but under conditions of the accentuated decline of the international capitalist system as a whole, with aggravated conflicts and more and more explosive contradictions, not only between Capital and Labor, but also between the imperialist metropolises and the colonies. The systematic policy of the Soviet and Chinese bureaucracies in seeking alliances with the colonial bourgeoisie and the weakness of the alternative revolutionary leaderships of the workers and poor peasants of the colonial and semicolonial countries allowed the colonial bourgeoisie to come forward twenty years later and cash in on the formal political independence that imperialism had earlier been forced to grant so as to avoid the worst.

Suddenly commanding considerable capital resources in several countries, the colonial bourgeoisie is accumulating and investing this capital according to the model it learned from the imperialist countries. But it is doing so within a socioeconomic context that has not been fundamentally modified, a context that combines the middle ages (or earlier!) with contemporary technology, in which slaves who are not yet emancipated live side by side with modern financiers, in which the colonial bourgeoisie counts on making the maximum impositions on the imperialist trusts while nevertheless maintaining their dependence on imperialism.

The Arab owning classes have not yet broken with the Middle Ages at a time when they are nevertheless leaving the palaces of Beirut and the casinos of the Côte d'Azur in favor of industrial workshops and shipyards. Even with expenditures of thousands of millions of dollars, they are not able to shed this double skin, just as they are not able to eliminate underdevelopment from their society. That requires a social revolution. And neither the shah of Iran, nor the king of Saudi Arabia, nor the emir of Bahrein, nor the Egyptian bourgeoisie can preside over that social revolution. Instead, they will be overthrown by it. ■

indochina :

on the eve of



by PIERRE ROUSSET

The rainy season, which tends to reduce the level of military activity, will soon come to an end in Indochina. Three months from now, Vietnam will mark the second anniversary of the signing of the Paris Accords. The next dry season -- winter-spring, 1974-75 -- will probably witness significant developments in the relationship of forces in the three countries of Indochina. It is thus important today to take a closer look at the situation.

Cambodia, the "weak link" of the puppet regimes in the region, could have been able to move to the fore in the current scene. But this has not happened during the past several months. Once again it is South Vietnam that most directly reflects the progress of the Indochinese revolution. The summer months in South Vietnam have seen the establishment of a new military situation (despite the monsoons), the permanent aggravation of the social and economic crisis of the zones under Saigon's control, and the rapid extension of action by urban oppositions to Thieu. This is the first feature that must be examined.

A new military situation

As the debate in the American Congress on the question of economic and military aid to Saigon has approached, both Thieu and many U.S. officials have brandished the specter of a coming "general offensive" by the National Liberation Front. The deceptive character of the maneuver is obvious. The Provisional Revolutionary Government (PRG) is following a gradual policy that continues to fall within the framework of the situation born of the signing of the Paris Accords. But it would be false to conclude from this that the PRG is content simply to more or less reestablish the status quo ante, or that the apparent tension of past months is essentially a result of an attempt to artificially create an atmosphere favorable to obtaining increased aid. To be sure, a good part of the PRG's recent military activity has been aimed at recovering territory that it had controlled at the time of the cease-fire and that had since been eaten away by Saigon or at the destruction of Saigon posts illegally established in these zones after January 1973.

In fact, the puppet army enlarged its maneuvering room during

the first months after the signing of the Paris Accords. The military power of the revolutionary war waged by the NLF lay in its ability to "pin down" the enemy on the whole field of battle, thus denying it any mobility. With the cease-fire, Saigon was partially relieved of this pressure. Thieu could then concentrate troops and material at a few select points in order to attack the liberated zones (not, however, without suffering heavy losses). That was one of the difficulties the PRG agreed to face as part of the price to pay for the ending of the direct imperialist intervention and the initiation of the political process that was intended to lead to the recomposition of the urban opposition and the disorganization of the puppet apparatus.

It was in October 1973 that the Peoples Armed Forces of National Liberation (PAFNL) and the PRG decided to react. In a series of communiqués they asserted their will no longer to be content with resistance, but rather to try to recover lost ground and to carry the counteroffensive behind enemy lines wherever necessary. During the first few months, this effort was concentrated along the Cambodian border and in the central highlands. This was a matter of consolidating the "rear" and of assuring the development of the infrastructure of the liberated zones. The essential and principal puppet bases implanted in these regions, from which the continual nibbling operations had been launched, were liquidated at that time. Since then, however, at the end of the dry season and during this summer, new factors have appeared:

* The essential part of the PRG's effort was directed at the very populous regions in the Mekong Delta and the coastal provinces of the center: first north of Saigon around Ben Cat and Lai Khe, where battles of exceptional scope have been going on since May and where Thieu tried in vain for months to re-take two of the three posts taken over by the PRG. (More generally, more than 800 of the 3,500 posts in the Mekong Delta -- according to Saigon statistics -- have been "voluntarily" abandoned this year in face of the threats weighing on them.) Next, in the provinces of Thua Tien (Hue), Quang Nam (Da Nang), Quang Ngai, and Binh Dinh, where the PAFNL registered their most important successes of the past summer. It was precisely there that Saigon had probably done its deepest nibbling into the liberated zones, herding a part of the population into camps. It appears that more than 100,000 people returned to



a new dry season

zones controlled by the PRG during the months of August and September.

*The counteroffensive (or "strategic attacks") took on greater breadth. Since October 1973, the PAFNL have operated behind the Saigon lines (rocket attacks on the Bien Hoa airport, destruction of oil depots as at Nha Be, etc.) and have destroyed the bases that were implanted into their zones before January 1973 (in the central highlands).

But in August the North Vietnamese press stressed that "it is no longer a matter of simply re-taking territory seized by the puppets during nibbling operations," but rather "of carrying the response to the heart of the enemy bases." An example that was mentioned was the liberation of the capital of the Minh Long district south of Da Nang, which has since been followed by the liberation of a second district capital, Thong Duc. (See the August 30 *Le Monde*, which quoted *Nhan Dan*, the CP newspaper, and *Quan Doi Nanh Dan*, the army's paper.)

*The war matériel and the infrastructure of the PRG have clearly improved. The battle of Ben Cat was significant in this respect. It was the first time that such fighting had taken place so close to Saigon (about thirty miles away). Thieu threw considerable material into his counteroffensive. He brought the first paratroop brigade back from Quang Tri; the rate at which heavy artillery, air power, and tanks were utilized by the puppet army went beyond that of any battle waged since the signing of the accords. But the puppet army was confronted by the Seventh North Vietnamese division (at Lai Khe it was the Ninth division), which was equipped with high quality material. To be sure, the best Soviet weapons are not always at hand in Vietnam, the sort of ultramodern equipment like the SAM-6 and SAM-9 missiles used by the Egyptians. But in the Mekong Delta today, there are weapons that for a long time had been used only in the North (particularly during the defense of Hanoi and Haiphong). The puppet air force ran up against an effective anti-aircraft defense: surface to air missiles like the SAM-7, which can be used by individual soldiers, the AAA system (radar-controlled anti-aircraft artillery), and cannon up to 85-100 mm. caliber. Saigon's heavy tanks had to face the Soviet PT76 (light am-

hibitious tanks), the T54 (medium weight tank), and the T34 (heavy tank). The PAFNL also had the use of heavy mortar (120 mm.), 107 and 122 mm. rockets, 85 and 105 mm. cannon (captured from the puppets), and 122 and 130 mm. artillery (for the first time in the Saigon region).

It is difficult to tell in what quantities modern weapons have been sent to the South. But their presence in the delta is new. It is all the more important a novelty in that the PRG has considerably developed its logistical system. According to Peter Collins, writing in the August 30 *Far Eastern Economic Review*, 1,000 miles of communication roads have been constructed, routes that come down from the North extending as far as the southern part of the central highlands. A gas pipeline has been laid to the Pleiku region. The means of transport commanded by the revolutionary forces today are infinitely superior to those of 1965 and even, it appears, to those of 1972.

While the battles in South Vietnam have often remained localized, they have taken on considerable breadth. According to still partial figures announced by the PRG, 115,000 Saigon soldiers were knocked out of action during the first six months of 1974. Not all the zones that were liberated territory in January 1973 and were subsequently attacked by Saigon have been recovered (such as the port of Sa Huynh in Quang Ngai, which remains under the control of the puppet army), but large-scale battles have resulted in the liberation of at least two district capitals. The PRG has demonstrated that it is capable of responding on the military level to the American-puppet policy. This fact is brought even more sharply into relief in the cities under Saigon's control. There, the puppet regime has experienced an aggravation of its crisis.

The urban opposition

The article published in INPRECOR No.0 (May 9), analyzed the features of the economic and social crisis of the Thieu regime and the recomposition of the urban opposition. Saigon has not succeeded in moving beyond the artificial "war economy" generated by the American presence to an industrialization of a neocolonial type. But that is Thieu's only chance of

consolidating the features of a regime that is condemned to transform itself profoundly or disappear.

Since then, the gravity of the crisis has only been confirmed. It is of course difficult to get a precise idea of the real amount of aid that the puppet regime has received from the American government, although it has certainly been considerable. Illegal aid, which comes through various channels, in any case goes far beyond the aid officially voted by the American Congress. The Pentagon, for example, is free to set its own price for "surplus" war matériel that it resells to other governments. Thus, the official cost of aid to Saigon can be reduced (sometimes to less than 10 percent of its real cost) simply by shipping modern equipment to one of the American bases abroad and then "reselling" it to Saigon at "surplus" prices. The PRG estimates the real value of the military aid received from the United States by Saigon at more than \$4 thousand million! Nevertheless, it is now certain that the expected investors have not materialized (and it is probable that the secret meeting the World Bank is supposed to hold in Paris on October 17 will not change this state of affairs. It is equally certain that financial aid properly so-called (coming from the United States, Japan, France, and West Germany) is not keeping up with growing needs and in fact is declining in real value (because of world inflation) and that Washington is meeting greater and greater difficulties in "carrying" its decisions in a Congress that has just reduced the amount of aid for the next fiscal year from \$1.4 thousand million to \$700 million.

Consequently, the inflation rate from January 1973 to July 1974 was 85 percent, according to the government's figure. Unemployment is now growing at an accelerated rate; the Saigon economy is in the midst of a depression. Even according to the US Agency for International Development, there are 800,000 to 1 million unemployed out of an active population of 7 million. Hunger has struck not only in Saigon, but also in Hue, Da Nang, Quang Ngai, Qui Nhon, and Nha Rang. More and more experts in the United States are expressing their pessimism. An example is Samuel Adams, a CIA agent (one of the most "competent," it appears), who told an American Senate committee in July 1973 that the PRG was experiencing a "resurgence" and that "under the surface, the South Vietnamese government is in the course of disintegration." (See Gabriel Kolko's article in the September 1974 *Le Monde Diplomatique*.) This is what explains the fact that today, even a section of the Saigonese right wing is opposing Thieu.

We are now seeing an extension of the open movements of opposition in all the cities under puppet control as well as a multiplication of committees of oppositionists. The new rise of these movements was launched in a certain sense by an April 21 meeting of 400 religious personalities. Previously, the opposition religious movements, especially the Buddhists of the An Quang pagoda (see INPRECOR No.0, May 9), had been in crisis. Since then, the workers movement, which is not well known in the international press, has been continuing its struggle, which is based especially on a "committee against unemployment," a group including dozens of trade-union organizations, and the "committees of struggle for the right to live," which were initiated by the union of the Lambretta and Tilburys drivers. Some success has been won in struggles for economic demands. The workers of the Saigon glass works won 30 percent wage increases; those of the Esso corporation in Saigon, Nha Be, and Tan Son Nhut won wage increases and the rehiring of their fired comrades like Nguyen Thua Nghiep, the president of the oil workers union. On May 1 some 3,000 workers delegates put forward an eleven-point program of demands, while 500 workers of the Lambretta drivers union and those of small commercial establishments marched through the

streets for several hours. Finally, forty unions are coordinating their actions against inflation, unemployment, and layoffs and against the company unions of Tran Quoc Buu (see INPRECOR No.0).

But it is the politico-religious opposition that is presently going through the broadest extension. A whole series of opposition organizations have been founded recently: the Popular Front of Struggle for Peace (with Madam Ngo Ba Than), the Committee to Defend the Rights of the Workers, the Popular Movement of Struggle Against Corruption and for National Salvation and the Establishment of Peace (under Catholic leadership), the Committee of Struggle for Freedom of the Press and Publishing, the Popular Front Against Famine (members of the so-called Third Force, Catholics, Buddhists, Cao Dai, Hoa Hao, whose president is the monk Thich Thien), the Popular Organization for the Application of the Paris Accords (intellectuals, professors, journalists, religious figures), and the Forces of National Reconciliation (Buddhists, led by Vu Van Nan). During this time, the political refugees of the Third Force (notably the lawyer Nguyen Long) held a press conference and the Free Forces of Vietnam, previously based in France, reorganized itself in Saigon.

These new oppositions have been very active. Demonstrations called on Catholic initiative took place in Hue on September 8, 15, and 17; they attracted 5,000 people. There were other demonstrations in Nha Trang, Da Nang, and Saigon. (The latest one in the capital, called by the "beggar journalists," attracted several thousand persons.) The press has entered the struggle against corruption. Three newspapers took the spectacular initiative of publishing a document directly attacking Thieu, the "Act of Accusation No.1." (The three papers were Dai Dan Toc, Dien Tin, and Song Thanh; three other papers backed out at the last minute.)

When the police came to seize the papers, the issues were massively distributed in Saigon or symbolically burned in protest. The "Act of Accusation" was then read out in many churches and meetings. It accuses Thieu of being involved in real estate scandals, and speculation, trafficking in fertilizer, blocking construction of the "Hospital for the People," drug smuggling, and the deliberate organization of the rice shortage. Concurrently, the number of personalities, deputies, senators, and religious leaders demanding Thieu's immediate resignation is growing rapidly.

Today, even more than in the past, these oppositions are politically and socially heterogeneous. The Reverend Hoang Quynh, who is stigmatizing Thieu, is a refugee from the North, a trenchantly anticommunist Catholic who reproaches the present government for being incapable of effectively fighting against "the other side"! "There is no question of peaceful coexistence with the Communists," Father Tinh told J.-C. Pomonti (*Le Monde*, October 11). Nevertheless, in June he offered his church to religious leaders who had signed the manifesto against corruption. The radical priests (like Father Chan Tin) are probably a small minority. The Catholic hierarchy that is now in motion is tightly linked to the Vatican. The Buddhist movement An Quang (United Buddhist Association) remains deeply divided. But the crisis of confidence that is shaking Saigon bourgeois circles reflects the degree of the erosion of support that is undermining the puppet regime and is forcing Thieu to ease the repression somewhat, thus opening a breach through which the revolutionary and popular opposition can flow. The 5,000 demonstrators in Hue were certainly not all good Catholics loyal to the reactionary hierarchy!

The PRG

The September 17 issue of the Paris daily *Le Monde* reported that Hanoi and the PRG were convinced that Washington had decided to dump Thieu and replace him. The reality -- and the analyses of the PRG -- is probably more complex. It is certain that the problem of replacing Thieu has been discussed in Washington; otherwise the Catholic right would not be stirring the way it is now. But South Vietnam is not Thailand! Because of the very existence of the PRG, Washington could not hope for such an easy switch in regimes in Saigon. "They" are certainly looking around for a new horse to back should it become clear that Thieu can no longer hold on. But the changeover in regimes threatens to be so delicate that it is very probable that Washington will continue to support Thieu for some time.

For a long time the PRG has made the departure of Thieu a precondition for unblocking the situation. Nguyen Van Hieu, Paris negotiator for the PRG in 1973, told the *Far Eastern Economic Review* (July 8 issue): "Thieu and the Americans want a military confrontation because Thieu can stay in power only by using force and by repressing all opposition. The conclusion is thus obvious. The enforcement of the Paris Agreements implies the fall of Thieu. The main obstacle to peace, however, is in Washington." Consequently, the Vietnamese revolutionaries cannot but follow the evolution of the current situation with great interest. Moreover, the PRG has recently called on the opposition to "overthrow Thieu and his men." The PRG and Hanoi have issued unequivocal warnings. On Saturday, September 14, Colonel Giang, PRG spokesman in Saigon, denounced CIA-financed "political saboteurs" for "diverting the movement of mass anger against Thieu in a direction favorable to the United States." He recalled the precedent of the overthrow of Diem in 1963. The North Vietnamese daily *Nhan Dan* made the same charge on the same day. (See *Le Monde*, September 17.) For Hanoi and the PRG, the opposition leaders are not part of the "Third Force," which must be a people's force; rather, they reflect the crisis of the "First Force" (Saigon).

This situation once again sheds light on the nature of the policy of "national concord" advanced by the Vietnamese fighters. This formulation is dangerous and should be condemned, for it tends to cover up the irreconcilable class opposition that bars any "reconciliation" between national capital, tied organically to imperialism, and the Vietnamese proletariat. In the final analysis, this also accounts for the contradictory nature of the opposition to Thieu. But this policy has not prevented the PRG from struggling since the Paris Accords to be recognized as the sole and unique representative of the Vietnamese people and for the revolutionary overthrow of any puppet regime, whoever may stand at its head.*

This reality is expressed not only in the intensity of the struggle on the ground and in the social character of the liberated zones, but also in the diplomatic activity conducted by the PRG. During the preparation for the meeting that was scheduled to take place in Algiers on September 5-8, 1973, *South Vietnam in Struggle* (No. 210), the organ of the NLF, published a two-page article entitled "The PRG, sole authentic representative of the South Vietnamese population." In the article, the editors wrote, "The Paris Accords recognized the fact that in reality two administrations, two armies, and two zones exist in our country." The Thieu regime, "far from being supported by the popular masses, rests solely on U.S. dollars

*See the December 1972 resolution of the International Executive Committee of the Fourth International, published in the review *Quatrième Internationale*, No. 6, March-April 1973.

and arms. That is why Saigon is one of the less independent neocolonies of the United States."

"The PRG," the article noted, "was born of the rise of a victorious patriotic struggle. . . . Its creation followed the formation of peoples self-management committees that replaced the local committees of the Thieu administration. . . . It defends the higher interests of the South Vietnamese population, its fundamental national rights as well as its self-determination."

It is this same policy that has led the PRG to request recognition from governments (the latest ones to do so being Malagasy and Mauritius) and by international organizations. It has also led it to declare, on August 20 at La Celle Saint Cloud (Paris) that all oil prospecting accords concluded by Saigon with multinational firms are null and void.

The whole of Indochina

The signing of the Paris Accords marked a break in the situation in Vietnam. Its essential consequence was to raise to the first rank the problem of revolutionary struggle in the cities as the final phase of the revolutionary overthrow of the puppet regimes. In effect, the signing of the accords capped the strategic failure of the direct imperialist military escalation in Indochina.

The only serious chance for the Thieu regime would have been to organize a multinational aid program able to transform the economic and social base of the regime. This did not happen. The U.S. government cannot fill this breach by itself. Gabriel Kolko understood this very well when he wrote in the September *Le Monde Diplomatique* (on the occasion of Nixon's resignation) that "the crisis in Washington is now added to the crisis in Saigon. The war in the Middle East, the vagaries of the world economy, and the serious deterioration of the 'détente' have imposed new priorities on the foreign policy of the United States. However much it may want to, Washington cannot sacrifice its fundamental interests in other areas of the world in order to try to reverse the balance of forces in South Vietnam, which in the relatively near future must lead to a PRG victory in this conflict that has lasted for thirty years."

Spring, 1974. Students demonstrate in Phnom-Penh.



But the task of the Vietnamese revolutionaries is not so simple. Far from it. The situation in Vietnam after the Paris Accords was in fact marked by the contradictory results of the earlier escalation and the policy of "Vietnamization." The resistance of the population and of the NLF and PRG had exhausted the imperialist interventionist resources and policy. The strategic prospects were clearly favorable. But this did not prevent Washington from succeeding -- thanks to an immeasurable escalation of aid -- in creating a regime in Saigon that would not automatically collapse so long as it was artificially bolstered by the influx of dollars. Too many social and political interests and too many ties of dependency on the United States had been created for the puppet regime to lose all roots after the departure of the last GI. Too large an army and police had been built for the population to be able to rise up before the decomposition of the repressive forces had become well advanced. The destruction of Saigon society had been too profound for it not to give rise to politically heterogeneous social currents and for a profound recomposition of clandestine revolutionary work not to be necessary for preparing the insurrection. The liberated zones were too strongly under attack not to require a good deal of time to reconstruct themselves.

That is why the situation in South Vietnam was characterized and continues to be characterized by a favorable, but only gradual, shift in the relationship of forces in the course of a struggle that remains a protracted one. And this situation rebounded on the development of the situation throughout Indochina.

The FUNK is indubitably in a position of strength in Cambodia. Lon Nol's great claim to fame is that he still exists. The liberated zones have attained unprecedented breadth and the urban opposition came to the fore more than anywhere else during the student, high-school, and popular demonstrations of May-June (which saw the assassination, perhaps the work of Lon Nol himself, of the minister of national education and his deputy, who had been sequestered by high-school students). The GRUNK may even enter the United Nations during its current session after having obtained what may be a majority of votes against the puppet government. But all this has not prevented the postponement of the final uprisings and offensives.

In Laos, the real relationship of forces between the right wing and the Pathet Lao was illustrated after the departure of Souvanna Phouma, prime minister of the government of national unity, who left for France to undergo treatment for heart disease. It was Phoumi Vongvichit, a Pathet Lao leader, who took over as head of the government. Souphanouvong, another Pathet Lao leader, remains as head of the National Council. But this has not prevented the revolution in this small Indochinese kingdom from taking a "roundabout" route.

In each case, specific factors (such as the weight of Sihanoukism and the youth of the FUNK in Cambodia and the weakness of the national and social dynamic in Laos) had their effects, as did the orientation of the Communist party, which was trained in the Stalinist school of the 1930s and effected only a very empirical break with the Soviet bureaucracy.* But the

Indochinese revolution forms a whole, the key to which is South Vietnam. The South Vietnamese revolution has partially imposed its rhythms on this whole.

This is even true of the Democratic Republic of Vietnam. The difficulties of reconstruction after the terrible destruction wreaked by the American escalation have been profoundly aggravated by the necessity of participating in the continuation of the revolutionary struggle in South Vietnam and the rest of Indochina. This is reflected in the political tension that has been manifested since the signing of the accords. On March 12 Nhan Dan published a resolution adopted one month earlier by the Political Bureau of the Vietnamese Workers party (the CP), which dealt with the problem of technical training and phenomena of bureaucratization; it was accompanied by three articles by Le Duan, general secretary of the VWP.* This question has been treated in several articles since then. Very important economic reforms, especially in agriculture, have been undertaken and seem to have been contested by some. The October 4 Le Monde reported that, according to Hanoi's theoretical journal, Hoc Tap, "two currents are counterposed in the Democratic Republic of Vietnam, and the effects of this phenomenon, produced 'by imperialist and petty-bourgeois opportunist thought,' are making themselves felt." Further, a resistance has been "raised by some to the notion of class struggle in the North and to the theory that the battles in the South are the reflection of a war of liberation and a class struggle at the same time."



The Vietnamese fighters stand at the head of a struggle that has been made quite arduous by a series of factors: the results of "Vietnamization," the uneven rhythms of the Indochinese revolution, the relative international isolation of Indochina, and the particular isolation of the Vietnamese CP within the world Communist movement since the turn of Chinese diplomacy. But a new turn is now approaching. It may be marked by the fall of the Lon Nol regime, the opening of an acute crisis of the Thieu regime, or a major defeat for the Saigon army, perhaps during the next dry season, that of winter-spring 1974-75.

It is incumbent upon anti-imperialist and revolutionary militants throughout the world to reaffirm their solidarity with the Indochinese peoples in their struggle for the recognition of the GRUNK and the PRG, for the liberation of political prisoners, for the halting of all U.S. and multilateral aid to the puppet regimes and to act with them for the final victory of the Indochinese socialist revolution. ■
October 12

*On Cambodia, see Quatrième Internationale, No.7-8, May-August 1973 (La Révolution Cambodge et le Sihanoukisme). On Laos, see INPRECOR, No.4.

*On this question, see Rouge, June 15, 1972 (Le Danger Bureaucratique) and Quatrième Internationale, No.14, April 15-May 15, 1973 (Le Parti Communiste et l'UP au Chili).



behind the "criticize lin, criticize confucius" campaign

The article below originally appeared in a Chinese-language youth journal in Hong Kong and was translated for INPRECOR by Greg Benton. It deals with a feature of Maoist rule in China that is often overlooked in analyses of political developments in the People's Republic of China.

In the Soviet Union, the basis of the material privileges of the bureaucracy lies in the management of the large enterprises, especially the industrial enterprises. The wide range of wage differences, the complicated system of bonuses, the right of free disposition of "management funds" or "funds of the enterprise," the considerable advantages attached to the "commanding posts" of the economy (automobiles, houses in the countryside, vacation villas, permission to travel abroad, etc.) all give the Soviet bureaucrat a standard of living completely detached from that of the broad masses.

In the People's Republic of China, still an essentially agricultural country, the industrial bases of bureaucratic privilege are much narrower. Further, the breadth of wage differences was reduced during the "Cultural Revolution." Under these conditions, it is above all the abuse of political and administrative power -- that is, corruption -- which provides the basis of the material privileges of the bureaucracy.

There is no lack of testimony in this regard. Let us cite just two pieces of evidence that would be accepted as authoritative even by the most obdurate Maoists in the capitalist countries:

The late Edgar Snow, a personal friend of Mao Tse-tung, had the following to report in his book *Red China Today* -- *The Other Side of the River*, first published in 1961 and re-issued with many additions in 1970:

"After land distribution, many cadres were found to have become rich peasants, exploited hired labor 'under the pretext of mutual aid,' refused to join mutual aid or cooperative groups themselves, worked solely for personal gain, used their position to seize control of cooperatives and make money, and even engaged in usury." (p. 32 of the Pelican edition.)

In his "speech on philosophic questions," delivered on August 18, 1964, during the Cultural Revolution, Mao Tse-tung himself affirmed:

"We have been going for fifteen years and we now control two-thirds of the realm. At present, you can buy a (party) branch secretary for a few packs of cigarettes, not to mention marrying a daughter to him." (*Mao Tse-tung Unrehearsed* -- Talks and Letters 1956-1971, edited and introduced by Stuart Schramm, Penguin Books, 1974.)

Last year *Red Flag*, the theoretical review of the Chinese Communist party, published an article entitled "Stop corruption; Don't let it contaminate you." This article blamed the expropriated "remnants" of the bourgeoisie for trying to spread corruption in China. Nevertheless, the article admitted that some of the cadres in power were guilty of the same practices. The September 6, 1974, issue of the *Far Eastern Economic Review* reported many examples of corruption that have been revealed during the "anti-Lin, anti-Confucius" campaign, particularly buying and selling of clothes on the black market, falsification of food ration coupons, trafficking in construction materials, falsification of harvest statistics, abuses of power and extortion by functionaries, and so on.

Nevertheless, the extent of the phenomenon should be viewed in light of the enormous historical advance that the third Chinese revolution, which has just celebrated its twenty-fifth anniversary, represents. The creation of the dictatorship of the proletariat in China was bureaucratically deformed from the beginning, with the absence of the direct exercise of power by the working masses in this immense country. The gains have not been definitively consolidated, and the road toward socialist construction has not been definitively taken -- that is what is confirmed by the Cultural Revolution and the "campaign against Lin Piao and Confucius"; for that power must be exercised by the workers and poor peasants through organs of power of the soviet type (workers councils and democratically elected and managed peoples communes).

INPRECOR

Why have the movements to "criticize Lin" and "criticize Confucius" been linked together? Let us deal with this question first.

Lin Piao was a "simple soldier." According to the most recent Maoist description of this one-time "close comrade-in-arms" of Mao, we are informed that "he didn't read books or newspapers, was completely ignorant of Marxism-Leninism and of China's ancient culture." In our opinion this criticism is a fairly sound one. But then why suddenly dress up a military man like Lin in the garb of a Confucian scholar? How come Lin suddenly not only reveres Confucius, but wants to oppose Mao's thought with the teachings of Confucius and Mencius as part of a plot to "restore capitalism"? It is obvious from the self-contradictory statements of the Maoists themselves that the reason Lin and Confucius have been linked together is clearly not because Lin was a "disciple of Confucius and Mencius." So what is the explanation?

The real explanation is to be found in the Lin Piao faction's anti-Maoist program, the so-called "571 Outline Project." (1) The second part of this document contains the following passage: "He (i.e. Mao) is at present abusing the trust and status given him by the Chinese people to go against the tide of history. In fact he has already become a modern Ch'in Shih-huang-ti. (2) . . . He is not a genuine Marxist. He is the biggest tyrant in Chinese history. He follows the teachings of Mencius and Confucius and uses the methods of Ch'in Shih-huang-ti."

It is quite obvious after reading this passage why the Maoists wanted to turn the Lin clique into followers of Confucius, why they "followed the Legalists and opposed Confucianism" (3) and why they re-opened the "question of Ch'in Shih-huang-ti."

Their campaign to link Lin and Confucius was simply a modern adaptation of the old Chinese trick of hanging a man with his own rope. Or, to put it more crudely, A tells B: "You're a whore!" and B replies: "No I'm not, you are!" The "China-watchers," however, have managed once again to get the wrong end of the stick. As soon as they heard "Confucius"

they started thinking of Duke Chou. (4) From Duke Chou they moved on to Chou En-Lai, who is supposed to be a descendant of the Chou dynasty. They therefore concluded that the "criticize Confucius" campaign was really aimed at Chou En-Lai, a really far-fetched explanation.

In reality it is not at all difficult to see which of the two men -- Mao or Lin Piao -- is best suited for the epithet "a follower of Mencius and Confucius." From whatever point of view we consider the question (whether from the depth of their acquaintance with Confucianist teachings or from the point of view of their practical adoption of these teachings) there is absolutely no comparison between the two). We have already pointed out in a study of Mao's thought and his activities after he became a revolutionary (5) that one of the three main components in Maoist ideology is in fact "Confucianism." This is not simply an attempt to disparage Mao. It is a fact and a strikingly obvious one at that. As for Lin Piao, he might well have quoted one or two well-known phrases from Confucius to show off what a learned fellow he was, but this was just foolish parroting -- in point of fact, he was a complete ignoramus.

The criticism of Mao contained in the Lin faction's anti-Maoist program was an extraordinarily good summing up of Mao's character and behavior. It is very unlikely that it was the work of Lin Piao. It was probably drawn up by Ch'en Po-ta, who was for many decades Mao's private secretary.

The attack was certainly effective and, not surprisingly, left Mao quivering. He immediately counter-attacked on three fronts. First, he declared that Lin Piao, and not Mao, was the real Confucianist. Second, he insisted that his Marxism was deep-rooted and not skin deep. And third, he declared that Ch'in Shih-huang-ti's activities, including his burning of the books and his burying alive of Confucian scholars were not only not reactionary, but were positively progressive.

This is the starting point for the "criticize Lin, criticize Confucius" campaign and the "overthrow Confucius, support Ch'in Shih-huang-ti" slogan.

Mao, Lin Piao . . . Before the Fall.



The campaign in a broader context

Is this, then, the whole story behind the "criticize Lin, criticize Confucius" campaign? Does this exhaust its significance? Certainly not. To say that this was all the campaign amounted to would be a very superficial judgment and a very mistaken one.

What we outlined above was simply the immediate cause of the linking together of Lin and Confucius. Now, however, the Maoists have seized on the campaign to have another crack at the so-called Confucian family shop (I say "another" crack because it was already attacked once during the May 4th Movement in 1919). The reasons for this move are much more profound and are rooted in the social and political contradictions that characterize present-day China.

These contradictions -- international and domestic -- are extremely complex, and we do not intend analyzing them in detail in the course of this article. We will simply concentrate on one aspect: the contradiction between the new system and the old ideology.

China is a backward country, even though the revolution has been victorious for twenty-five years and even though the new political system has achieved considerable progress on the road to modernization. Despite all this, from a political, economic, social, and cultural point of view, China is still backward. And, what is more, all the manifestations of backwardness are without exception linked directly or indirectly to China's traditional Confucian ideology. In short, the tendency to "put self before the common interest," to "put relatives before strangers," the whole question of blood relations, relations through marriage, local connections, and so on, and on the favoritism and corruption they give rise to -- all these defects, at least insofar as their ideological source is concerned, can be traced back to the Confucian clan theory. Any revolutionary government that intends to carry out fundamental changes in the social or economic spheres must therefore simultaneously struggle to "overthrow the Confucian family shop." Otherwise it will not only meet massive difficulties in the various fields of socialist construction, but its efforts to begin the modernization of the state will encounter grave obstacles and probably get completely bogged down.

The most serious of China's numerous ailments is corruption. As a result of the protracted stagnation of the productive forces in China, corruption long ago had become a deadly tumor on the Chinese body politic. To take a recent example: One important reason for the astonishingly rapid collapse of the Kuomintang after the victorious conclusion of the anti-Japanese war was, among other things, the fact that it was riddled with corruption from head to foot. And one of the major problems confronting the Chinese Communist party in the course of achieving victory was how to prevent the emergence of corruption in the new administration.

Although the various movements launched since the establishment of the new China -- from the San Fan, the Wu Fan, and the Si Qing(4) down to the Cultural Revolution itself -- were not exclusively concerned with the war on corruption, it was nevertheless a theme common to them all. The objective roots of Mao Tse-tung's theory of "uninterrupted revolution" and "permanent revolution" and his insistence on the need for a new cultural revolution every few years are to be found in China's chronic and traditional disease of corruption. Even if Mao is only acting in his own interests and those of a small clique in the party rather than in the interests of the Chinese revolution, he is still forced to fight continuously

against corruption in the party and the administrative apparatus. Otherwise, looking at the precedent of the Kuomintang, Communist rule could collapse within a decade.

As for the struggle against corruption and the cultural revolution, we do not intend to add up the pluses and minuses or draw up a balance-sheet of its successes and failures in the space of this article. We would simply point out the following: During the course of this powerful campaign, some blatantly corrupt elements were forced to retreat a little and certain glaring bureaucratic privileges took a tumble, with reductions in wage differentials, etc. But since then, the genuine mass movements that arose during the Cultural Revolution have been suppressed and so-called ultraleft and anarchist elements subjected to a severe witch-hunt. A gradual "normalization" has taken place in domestic and foreign policy and there have been two or three years of "peace." As a result, the disease of corruption, which was temporarily brought under control but not radically cured, has once again taken a general turn for the worse. Obviously we have no exact means of telling just how quickly the phenomenon of corruption has succeeded in re-establishing its presence, how generally the old sly-shod and corrupt psychology has reasserted itself or to what extent the disease of bureaucratism has worsened in the party and state organs in China.

The Chinese Communist party does not provide authentic data on this sort of theme. But even in reports collated from official confidential investigations it is possible to find the following sort of development: the large-scale reinstatement of old bureaucrats in party and state organs; the return to activity in government and other circles of "enlightened" bourgeois elements; numerous examples of "going in through the back door" in educational institutions (though obviously not confined to these); the widening of differentials in the mining industry; the re-appearance of old habits and customs (especially with regard to marriage) in the villages, etc. All these symptoms inevitably point to the fact that the traditional menace of Chinese society -- corruption -- is once again busy at work.

If only from an instinct for self-preservation, Mao and his clique were forced to bring into being another movement to oppose these tendencies. This objective need tied in rather neatly with Mao Tse-tung's own eagerness to slap the "Confucian hat" firmly back on the heads of Lin Piao and friends. The "criticize Confucius" tag was therefore added on to the "Oppose the Four Olds"(7) movement which developed out of the "criticize Lin" campaign.

A half-genuine and half-phoney campaign

Does all this mean that the "criticize Confucius" movement is entirely phoney? Not at all. To be precise, it is half-genuine and half-phoney. The genuine half stems from the fact that Mao is forced to recognize the glaring contradiction between Confucian ideology and China's modern needs, not to mention the needs of a Communist revolution. As a revolutionary, Mao is obviously a sincere anti-Confucianist. The phoney half of the campaign has its source in the following two facts: (a) Mao's ideological "first love" was Confucianism. This particular "ism" slipped into his subconscious, as it were, and sunk firm roots. As we have pointed out in our book on the subject, although Mao's early Confucianism was consciously negated and rejected, it still maintains a firm and pervasive grip on his thought and continues to play an important role in it. (b) Mao's grasp of Marxism is not only shallow, but bears the hallmark of Stalinist revisionism. It has

rejected the revolutionary spirit of Marxism and the substance of workers democracy and replaced them with a totalitarian and bureaucratic-hierarchical content, which is in some senses even counterrevolutionary.

For these two reasons Mao's anti-Confucianism will end up in a completely phoney campaign. Because Mao has constantly proposed and enforced such a despotic and bureaucratic system, his sham Marxist words and actions correspond in reality to the reactionary hierarchical theories of Confucius, in reality they preserve and give free scope to one of the most reactionary aspects of Confucian theory.

The fact that Mao extols the "Legalist School" and Ch'in Shih-huang-ti at the same time as "criticizing Confucius" indicates that he is really a supporter of Confucianism. It is not possible to discuss the struggle between Confucianism and Legalism in this article, or to discuss our differences with the Maoists on the question of the evolution of Chinese history. For the sake of argument let us concede that the Maoists are correct in their assumption that Confucian and Legalist schools once played a reactionary and progressive role respectively.⁽⁸⁾ But the whole of Chinese history shows that in reality the distinct origins of the two schools have been of absolutely no significance. It is common knowledge that ever since the reign of Han Wu-ti (140-86 BC), the formula whereby each dynasty has "shepherded the people" was, as a famous Ch'ing dynasty thinker (Wang Ching) pointed out, "Confucianism on the outside, Legalism on the inside." On the surface they paraded their Confucian "humanity in government." In reality they rigorously enforced the despotic methods of Ch'in Shih-huang-ti. The two schools gravitated towards each other and no longer stood at opposite poles. From the point of view of the people underneath, the only difference between Confucianism and Legalism was that one claimed to be benevolent and the other did not. In reality they were equally despotic. Admittedly, one was open about its nature and the other hypocritical, but it is still impossible to divide them into a "progressive" and a "reactionary" school. The more Mao "criticizes Confucius" in this way the more credible Lin Piao's charge of "Confucianism" becomes.

Climbing trees to catch fish?

If Mao hopes to destroy the "Four Olds" and prevent the total bureaucratic degeneration and corruption of the party and state organs by this type of "criticize Confucius" campaign, then he will be sorely disappointed. Because this is rather like climbing trees to catch fish. Not only will such a campaign not destroy the "Four Olds," but it will almost certainly tend to become counter-productive.

In present-day China all shades of popular opinion, at all levels of society, are for the most part fed up with the continuous churning out of campaign after campaign in the course of Mao's so-called "permanent revolution." It is not only "bad elements" or the right wing who blanch when they hear the word "campaign" or begin to palpitate as soon as they see a "struggle" on the way. Even the toiling masses of workers and peasants, who are thoroughly dissatisfied with bureaucratic rule in all its forms, live in fear of campaigns of this sort. Twenty or more years of experience has taught them that campaigns should never be taken at face value, and that they always turn out differently in practice from what they are proclaimed to be. They might well swat dead a few house flies, or even overthrow one or two small tigers, but the end result is that the swatters end up in the same fix as the flies and sometimes in an even worse one! As for beating the small

tigers, this invariably turns out to be in the interests of the biggest tigers. The campaigns are not entirely without advantage for the worker and peasant masses. But after it is all over, nothing has really changed -- they still suffer the same hardships. The "Great Proletarian Cultural Revolution" was especially disappointing. It aroused the hopes of the masses, only to dash them to the ground again. It ended up in the persecution of the true revolutionaries. From now on the masses have every reason to look upon Mao's movements and campaigns as potential man-traps.

In itself, of course, the "Oppose the Four Olds" campaign is very necessary. Any corrupt ideology or out-of-date habits that use Confucius as a screen to hide behind should be purged and eliminated. But in order to do just that and to do it effectively, Mao should at the very least follow his own precepts and be "open and above board" instead of "plotting and scheming behind closed doors." He should certainly stop treating the workers and peasants as "idiots" or as "simple tools" in the hands of an "omniscient and omnipotent supreme leader," as pawns to be used in power struggles inside the walls of the Forbidden City in Peking.

Therefore, if Mao and the CP leaders were sincere in their desire to cure the traditional ailments of Chinese society, the first step they would take would be to transfer political power downwards to the worker and peasant masses. They would set up a broadly-based system of socialist democracy, under the genuine political control and supervision of the masses in the towns and villages. In other words, they would establish a system of workers, peasants, and soldiers soviets of the sort to be found in the USSR during Lenin's era. They would allow the masses to exercise leadership from the bottom up. This would be the best way to sweep aside old thinking and old institutions in every sphere via the conscious and collective efforts of the masses and in the process to establish new ways of thinking and new institutions.

Thus, a true victory in the "Criticize Lin, criticize Confucius" campaign would be inseparable from the struggle to oppose Mao's un-Marxist tendency towards Confucianism and Legalism and from the struggle of the Chinese workers and peasants against bureaucratism.

POSTSCRIPT

The new datzibao (big wall-posters) campaign, which started in Peking on June 13, 1974, after comrade W.F.H. had written this article, fully confirms his analysis. This campaign had started earlier in the provinces, e.g. in Kunming (Yunnan province) where British correspondents accompanying the Tory leader Heath during his visit to China found many inscriptions denouncing local bureaucrats (see *The Economist*, June 22, 1974). It seems that a directive issued by the Central Committee of the Chinese CP on May 18 again authorized public criticism of bureaucrats, which had been stopped after Mao's abrupt halting of the Cultural Revolution.

Significantly enough, one of the points raised in many datzibao was precisely the abrupt repression of radical representatives of the Red Guard movement at the end of the "cultural revolution." The wall-posters charge not Mao himself or Chou En-lai, but the late Lin Piao with responsibility for the repression. Datzibao appearing in Peking on June 13 accused members of the "municipal revolutionary committee" of having purged all but one of its twenty-four working-class represen-

tatives, and of having torn down eighty-nine earlier poster protests that had been pasted inside buildings.

According to the London Times correspondent in Peking (The Times, June 20, 1974), most of the Peking posters appearing during succeeding days took up the same point of the suppression and ousting of the "working class activists" of the Cultural Revolution from all posts of responsibility.

Another point raised by the dazhibao was the increase in material privileges for leading bureaucrats, sometimes in the form of excessive standard of living, as attempts to circumvent directives supposedly applying to all Chinese citizens. High party officials were accused of having had their sons and daughters exempted from the general rule to leave the towns and go to the countryside for several years.

These accusations made by the wall-poster campaign confirms what revolutionary Marxists have been saying for years: that many of the more radical demands raised by the Red Guards (radicalized youth) and "revolutionary rebels" (radicalized workers) during the Cultural Revolution and partially granted by the Mao faction under the pressure of the masses had been revoked at the end of the Cultural Revolution. This was followed by a new increase in the weight and power of the bureaucracy. The new political strife in China reflects both rising dissatisfaction among the masses with that state of affairs and new factional maneuvers and alignments within the bureaucracy.

One of the main targets of the anti-Lin, anti-Confucius campaign is obviously the former chief of staff of the People's Liberation Army, Huang Yong-sheng, who is alleged to have been Lin Piao's main ally in his 1971 plot. In Canton, the anti-Lin, anti-Confucius campaign has taken the form of an anti-Huang campaign. (Le Monde, August 16, 1974.) Some commentators have concluded, rather hastily, that the whole campaign is actually directed against "hidden" Lin Piao supporters (or other opponents of Mao) within the army who may want to take their revenge for the radical reduction of the army command's influence since 1971 and the general reshuffling of regional military commanders at the beginning of 1974.

However, such an interpretation is contradicted by the sensational reappearance of many old army commanders in the center of the political scene, among them Yang Cheng-wu, former acting chief of staff of the PLA, who was sacked in 1968 at the height of the Cultural Revolution. During the 1974 anniversary celebration of the PLA, according to the August 12 Newsweek, nineteen generals purged during the Cultural Revolution made their first public appearances in Peking in years. This move could be interpreted in a double sense: first, as an extension of the rehabilitation of former "rightist cadres," which has gained momentum since Teng Hsiao-ping, former secretary general of the CP and main "lieutenant" of arch-enemy Liu Shao-shi, was elevated to the post of vice-premier and main architect of Chinese foreign policy; and second, as a reminder to the radicalized elements that this time, contrary to 1966-68, Mao and the top strata of the Chinese bureaucracy have firmly decided not to allow any mass mobilization to get out of hand.

Indeed, reports that important clashes among demonstrators and between demonstrators and the repressive forces had taken place in Kiang-si province, in Honan province, in the town of Wu-han (one of the main centers of the Cultural Revolution) and in the Manchurian city of Harbin (200 people were killed in Kiangsi, according to wall posters reported in The Guardian of June 25, 1974) were followed almost immediately by a stern editorial in People's Daily on July 1 reminding

all those concerned that criticism should be confined to meetings organized by party committees and should remain under control of the party. The workers were also reminded of the need to leave production undisturbed by such criticism. Reminders of that sort had appeared during the Cultural Revolution after years of mass mobilizations. They now appear hardly six months after the start of the anti-Lin, anti-Confucius campaign, and hardly two weeks after the beginning of a new dazhibao campaign.

All this indicates that the Mao faction's margin for maneuver has narrowed considerably. But the contradictory needs with which Mao is confronted remain those indicated by comrade W.F.H. and reflect themselves in the shifts in emphasis of the CP's "general line" during the last weeks and months. It remains to be seen whether these shifts also reflect new deep rifts in the top leadership of the CP. Besides top provincial bureaucrats, at least one Political Bureau member, Hua Kuo-feng, has so far come under public attack. (But the dazhibao attacking Hua was almost immediately removed.) And in East European CP circles, the version that what is behind the anti-Lin, anti-Confucius campaign is a struggle for supremacy between the Peking group and the Shanghai group inside the top leadership continues to be generally accepted.

INPRECOR



Footnotes:

1. Read with different tones, the Chinese word for 571 can be taken to mean "armed uprising."
2. Emperor of Ch'in (255-209 BC) who unified China. His short reign was marked by extreme ruthlessness.
3. Legalists represented an anti-Confucianist school of thought which accepted no authority except that of the leader.
4. One of Confucius's "morally superior men" and founder of the Chou dynasty.
5. *An Analysis of Mao Tse-tung's Thought*, Hong Kong, 1973.
6. *San Fan*: Campaign against corruption, waste, and bureaucracy.
7. *Wu Fan*: Campaign against bribery, tax-evasion, theft of state property, skimping on work and cheating on materials, and theft of state economic information.
8. *Si Quing*: "Four Cleans" campaign in which masses and low-level cadres were asked to give clean accounts on political and ideological stands, family background, and financial situation.
9. Old thought, old culture, old customs, and old habits.
10. The present theory of "support Legalism, oppose Confucianism" is based entirely on two presuppositions: (1) That the passage from the Spring and Autumn period (722-481 BC) to the Warring States period (403-221 BC) represents the passage in Chinese history from a slaveowning to a feudal system. (2) That the Confucianists represented the old slaveowners, while the Legalists represented the newly emerging feudal landowners. But both these presuppositions would be very difficult to argue and are, at the very least, debatable. First, it is not Marxist to force Chinese history into the same stages of development as Western European history. Marx recognized that Asian states had their own historical peculiarities. What is more, to consider the autocratic, centralized, and unificatory system of the Ch'in dynasty as a model feudal state (like the Middle Ages in Western Europe) is obviously both factually incorrect and un-Marxist. But this question is too complex to discuss in the short space of this article. We hope to devote a special study to it at some future date.

gierek vs. the workers

by OLAF KLARNAT

In the great ports on the Baltic Sea -- scene of the workers' insurrection of December 1970 -- several thousand dockers and shipyard workers initiated a strike movement at the end of August to protest against application of a new wage system. After a week of work stoppages and slowdowns, the Polish leaders provisionally suspended these measures, which by tightening up work rules and linking wages to productivity had challenged the wage gains that had been won previously.

Since 1971 the Gierek team has been trying to avoid a new open confrontation with the working class by developing an economic policy that would sacrifice improvements of the standard of living less than in the past. Without being able to do away with any of the factors underlying the precariousness of its power, the Gierek team sought to give the Polish economy a second wind through introducing cautious changes in the system of management and planning. But at the same time, social pressure persisted, as the August strikes, among other things, testify to. The exact nature of the solutions put forward by the government can be seen more clearly if they are compared to the demands the workers raised in December 1970, demands that still retain all their currency.

Gierek and the 1970 demands

Immediately after the 1970 workers' revolt, the new government team tried for some time to defuse the movement of militancy as quickly as possible. The measure calling for a 30 percent increase in basic foodstuffs was lifted; the crisis was blamed on Gomulka's autocratic individualism; sanctions against leaders of the strike were cleverly postponed (the head of a strike committee was a delegate to the congress of 1972; later he was removed from his job on charges of "drunkenness" and forced into exile).

The first of the fundamental demands of the Polish workers during the 1970 strikes dealt with wage increases and improvements in the standard of living. In fact, concurrently with a new upturn in industrial production (which rose 9.4% in 1971 and 12% in 1973), real wages (and certain social services) went up 24% in three years; that is, at a rate greater than the 18% called for during the entire five-year plan. But the real meaning of this progress is limited by the low wage levels that prevailed to begin with in 1970 and is further limited if compared to certain other official figures released at the fourteenth plenum of the Central Committee in 1974 (figures that must be regarded with some suspicion): the increase in productivity for 1973 was 10.2%; salary increases stood at 5.7%.

The price freeze on basic foodstuffs, continued from year to year after the strikes in Lodz in 1971 and Rybnik in 1972, was nevertheless accompanied by partial price increases carried



Szczecin, December 1970: Tanks move against workers.

out by substituting one product for another under the pretext of improving quality. And the very high prices of appliances like washing machines, refrigerators, radios, etc. should not be forgotten. Furthermore, although official price increases amounted to only 2 percent a year, food consumption, which still accounts for 50 percent of the budget of the average working-class household, was satisfied only thanks to supplies provided by the private market at "free prices." This was a result of shortages in the state commercial network, especially of meat, dairy products, and fruit. The persistent housing shortage is another index of the difficult material and cultural situation of the majority of the population.

Conscious of all these problems, the Polish bureaucracy proved anxious to hasten to improve living standards, which would provide a safety valve that the regime lacked during the last days of the Gomulka period. The bureaucracy is seeking to link that improvement to the growth of the productivity of labor, which is necessary for expanding the economy. Hence, along with the introduction of technical innovations, there has been an extension of piecework wages. Individual consumption is favored at the expense of social consumption, which is less easily adapted to direct material incentives. This wage policy of "socialist emulation" has been accompanied by propaganda boasting an ideal of consumption that points people's aspirations in the direction of acquiring durable goods as symbols of "work well done." A "new look" ideological education drive has been launched aimed at gaining acceptance of the resultant social inequalities and justifying the establishment of a hierarchy of needs based on the varying skills and contributions to the growth of the national income made by different social layers. (In bureaucratic language this is called "the social utility of labor.")

"For independent and representative unions"

The bureaucracy is counting on the atomizing effects these measures will have on the working class and on the development of antagonisms between the workers and the other social layers. Since 1970 there has been no change in the ridiculous functioning of the trade unions and the "councils of workers self-management." While the 1970 strike committee demanded representative and independent workers bodies, the trade unions, with their reorganized leaderships (composed of personalities less discredited and more adapted to the new Gierek style), hold privileged control over productivity and labor discipline. As for the "workers councils," while the new labor code evasively refers to their "concrete rights," their role has in fact been reduced to overseeing security and sobriety in the factories.

On the other hand, in order to solidify its social base, the bureaucracy is seeking to attract technocratic layers and the intelligentsia by consistently paying them off for more rational managing by supervisory personnel and factory managers and for improvements in economic output. (The payoff comes in the form of bonuses, housing priority, possibility of making trips abroad, etc.) Anxious to divide and rule, the bureaucratic caste is throwing overboard the egalitarian principles proclaimed by the shipyard workers, who in 1970 demanded wages for industrial workers equal to those of supervisors and personnel of the party and state apparatus.

"For regular and honest news"

The bureaucracy has interpreted this demand of 1970 in its own peculiar way. Euphoria is obligatory in the press, which reports (and exaggerates) only the positive aspects of events that occur. Downright prolix when it comes to some success in ship-building or a football victory, the press clamps a black-out on strike movements. At best, it registers embarrassment when the facts manage to break through. Trybuna Ludu, for example, reported after the August strikes that the "fleeting difficulties" in the ports were a result of bad weather! The elimination of centralized censorship has only condemned journalists and editors to an even more effective self-censorship. The only notable change under Gierek has been that striking workers are no longer referred to as "hooligans," although

they are said to be afflicted with "absenteeism," "lack of labor discipline," or "drunkenness"! Real news and authentic freedom of expression are banned. Hostile propaganda will not be tolerated under the guise of free circulation of ideas, Gierek asserted at the Central Committee plenum on youth held in 1973. The writers, a political sector somewhat insensitive to the charms of bureaucratic realism are currently paying the price.

"The right to struggle for our just demands"

In 1970 the strike committee of the shipyard workers denounced the bloody intervention of the army and militia and demanded the right of the Polish workers to struggle for their demands. The bureaucracy, however, counterposes its conception of "socialist labor discipline" to the right to strike, which is recognized by the constitution. The latest of the measures of dissuasion (the law of June 1973) calls for suppression of bonuses -- that is, a significant reduction in wages -- in cases of participation in "unjustified work stoppages."

Since they directly attack the central power of the bureaucracy, the strikes of the workers have never had a purely "economic" character. The August 1974 strikes in the shipyards, where the workers' wages are higher than the Polish national average, testify to the high level of combativity that has been attained. The opposition to the new wage policy intended to incite workers to greater productivity, which was applied without any reaction from the trade unions or the "workers councils," is indicative of the skepticism of the working class in face of the ambiguities and enlightened pragmatism of the Gierek team. These strikes came shortly after the movements among the Silesian railway workers and the student youth (launched after the bureaucracy regained its control of the youth organizations); they came at a juncture during which the standard of living was going up and the economy was developing. The economic concessions the bureaucracy accorded to the students (significant increases in educational grants) and to a part of the intelligentsia testify to its fear of a fusion of the discontent of the various social layers. Such a fusion, coming after the isolated struggles of the youth and intelligentsia in 1968 and of the working class during the past four years, could increase the breadth of the antibureaucratic opposition tenfold. ■



document

DECLARATION OF THE BOLIVIAN MINE WORKERS



The following political platform was approved on August 16, 1974, by the eighteenth national plenum of the mineworkers federation of Bolivia. Articles dealing with the political situation in Bolivia, particularly the rebellion in Cochabamba and the divisions among the officer corps have appeared in previous issues of INPRECOR. See No.0, May 9, "Toward Inevitable Confrontations" and "Declaration of the Bolivian Section of the Fourth International"; No.4, July 18, "Collapse of the 'Unity of the Armed Forces'"; and No.9, October 3, "Trouble Among the Gorillas."



The mine workers of Bolivia have the absolute duty to explain their class political position on the latest political events and the series of threats now weighing on their future. At the same time, they must address themselves to their class brothers and, in general, to all the exploited of the country.

1. The declarations of General Banzer, who claims to head the strongest government in the past several decades in our country, have been smashed to bits by the reality of the facts. In a little less than three years, the dictatorship has disintegrated in an obvious manner, tormented by its internal crisis and suffering the pressure of the revolutionary resistance of the proletariat and the Bolivian people. The regime's repeated efforts to maintain itself in power have been unable to attain their objectives fully, because the working class and the people have not let themselves be fooled; on the contrary, they have firmly rejected all these maneuvers. That is what happened, for example, during the campaign to get Bolivia an outlet to the sea, a campaign launched in order to gather the masses behind a chauvinist banner that, in the final analysis, would have appeared as representing popular support for the regime. We know the fate of this campaign: the working class responded by counterposing its own class position, which was none other than the revolutionary struggle for an outlet to the sea in the framework of the alliance of peoples on the basis of their socialist orientation. Further, the clearest proof of

the profound crisis that is racking the government was the latest coup on June 5. Thus, the so-called proclaimed unity of the army, the sole support of the regime, was totally belied.

While crisis and decomposition are eroding the positions of the government and imperialism, the working class and the people are pressing their revolutionary struggle forward step by step and battle after battle, reconquering the rights that were swept away by the bloody coup of 1971. They have strengthened their unity and organization in the fight for their own immediate and historic objectives, opposing the antipopular measures of famine and poverty with tenacious resistance. New and important sectors have thrown themselves into the antifascist, anti-imperialist resistance led by the proletariat: the peasants and, more recently, the university students, members of the liberal professions, and other popular sectors. In sum, we affirm that while the government camp is experiencing crisis and decomposition, our positions in the popular camp are becoming stronger around the struggle for the building of an anti-imperialist united front aimed at giving the country a popular government led by the working class that represents the interests of the majority of our people.

2. The latest crisis suffered by the present dictatorial regime was temporarily overcome by setting up an essentially military government in order to demonstrate that there was a new unity among the officers, which is far from being the reality. On the contrary, the formation of the military cabinet does not represent a solution to the crisis, for everyone knows that putschist attempts remain on the order of the day so far as the various nationalist currents are concerned. We workers must not fool ourselves. The exploited have a clear position on coups, whether civil or military: we must always maintain our class independence, which is expressed in all our basic documents and whose real democratic and revolutionary content excludes no civilian or military force that identifies with the immediate and historic positions of the working class.

3. The well known formulas of "institutionalization" and "constitutionalization" take on a clear meaning for the mine work-

ers, because these formulas have been defined by their own authors in such a way that there is no need for guesswork in discovering their real aims. "Institutionalization," as it is called, refers to the stage in which the government's objective is "restoring order in the country" by creating so-called social peace. In sum, it amounts to nothing other than an attempt to impose the will of the regime on the exploited of the country one way or the other; that is, to exercise very strict control over the workers and their organizations. On this basis, once this stage has been achieved, the next step is "constitutionalization," which would amount to nothing but the legalization of the previous stage -- namely, the legalization of the regime of famine and exploitation through a reorganized apparatus which many would call the "new state." To attain this goal, they have created the Consejo Nacional de Reformas Estructurales (National Council of Structural Reforms), composed of representatives of the oligarchy and the military caste, a body that will only follow the directives of the military. The idea of carrying out a constitutionalization under conditions of harsh repression of the masses, bans on leftist political parties, the exiling of political and trade-union leaders, the imprisonment of many political leaders -- among them well known workers leaders and trade unionists -- corresponds to a strategy designed to avoid real democratization of the country and instead to set up an electoral system that would allow for the continuity of the counterrevolutionary system inaugurated in August 1971.

Under these conditions, the duty of the working class is to conquer and defend the application of democratic liberties, which means respect for the democratic rights of all citizens, freedom of trade-union organization, respect for trade-union freedoms, the possibility of free expression for all revolutionary political parties, and the declaration of a general and unrestricted amnesty.

Confronted with this situation, the workers must build up their own methods of struggle; the conquest of their rights will be possible only through their own efforts and sacrifices in struggle.

4. When the government indicates that it is inclined to authorize the functioning of the Central Obrera Boliviana (COB -- Bolivian Workers Confederation), it is trying to channel the workers organizations into its proposed institutionalization, that is, to domesticate them and subject them to its designs as simple appendages of the government's own political orientation. The declarations the government has made on this subject have been clear and decisive; it has explained that it wants to reorganize the COB by utilizing elements foreign to the working class. There is no doubt that this represents an attempt to replace the real COB by a totally different and

fake organization. In face of such an absurdity, the mine workers have the duty to struggle to win the right of the COP function from the rank-and-file level up, to win the right to be run on the basis of its traditional revolutionary class principles. It is only on this basis that our main organization has been built in the long and difficult process of struggles that we have waged against the enemies of the workers.

5. The August 1971 coup directed its full barbarism toward the students and the universities, not only because the regime had to confront them physically, but also because it had to dismantle the main bases of resistance in the cities. This fact determined the virtual destruction of university autonomy and was followed by efforts to reconstruct the universities as bodies completely dependent on the state. The fact that the university students, after three years of humiliation and silence, have again entered into active struggle for their rights that have been trampled underfoot is decisive proof that among the popular masses there is great discontent about and resistance to the pro-imperialist policy of the government. The incorporation of the students into the struggle being led by the workers has a very great revolutionary significance. That is why in endorsing the unity of the miners and the students, we must support the demands of our student comrades by repeating that their struggle can go forward and attain meaningful success only if it is linked to the cause of the proletariat; that is, it cannot attain its objectives outside the framework of the anti-imperialist positions of the workers and the people.

After many years of political submission, the workers of the countryside are entering into the national political awakening and are joining in the general struggle of the Bolivian people. This has been true ever since the tragic events at Cochabamba, which clearly showed that the peasants constitute a sector that suffers intensely from the consequences of the economic measures that are striking the people. The process that has been initiated can culminate only in the overthrow of the government domination that is now oppressing the peasants. This is a task in which the mine workers express their solidarity with this important sector, a natural ally of the working class.

6. From all that we have said, it follows that the problem that presently confronts the mine workers and the rest of the exploited is located primarily in the arena of political struggle. To fail to understand the situation in this way would be a real historic irresponsibility that would fundamentally set back our present trade-union and revolutionary leadership. That is why it is important to orient the activity of the Federation of Miners toward strengthening and broadening the unity of all the workers and exploited of the country, beginning with an effective struggle for the functioning of the COB as the united leadership of the workers movement. ■

INTERVIEW WITH A REVOLUTIONARY MARXIST

We publish below an interview with a Chilean comrade of the Fourth International who was arrested two weeks after the September 1973 coup and managed to get out of Chile after eleven months' imprisonment. The interview deals primarily with two questions: the relationship between the workers mobilizations and the policy of the Unidad Popular, and the sort of preparation that was made before the coup, which everyone expected after the June 29, 1973, attempted coup.



Question. Could you tell us about the relationship between the workers mobilizations and the Unidad Popular parties during the three years of the Allende government?

Answer. During the first period of the Unidad Popular, the workers, both industrial and agricultural, were permitted certain initiatives; they began at varying rates to make experiments in workers administration and control. Nevertheless, the leading group of the Unidad Popular had no clear vision of what the state or the relationship of forces would be. The control of the party and trade-union apparatuses could not have been manifested more clearly. During this first period, everyone, in all sectors, was trying to go through new experiences. Given the paralysis of the country, emergency measures had to be taken. This was a period of initiatives during which the workers were left alone. The workers upsurge was so strong that the political and trade-union bureaucracy could not control it and did not want to control it, or, in any case, saw no way to do it.

But during the second year, the state apparatus (penetrated by the Unidad Popular) and the party bureaucracies began to make their domination felt. The Socialist party, for example, was turned into a veritable employment agency. The so-called "Occupation Commission" of the SP Central Committee collected dossiers and the chiefs of the civil service were obliged to employ the people who were recommended. This procedure spread into all sectors of industry, construction, and so on. Later, when the sectors of the economy were being divided up, the political parties distributed the posts among their members. A bureaucratic layer violently imposed itself against the initiatives of the masses during the second year.

In the textile industry, for example, the leaders who had first taken over this social sector were removed. They were replaced by a Textile Committee composed of representatives of all the UP parties. Little by little they managed to paralyze the textile industry. The same thing happened in the construction industry. The workers heading the industry were replaced by unconditional supporters of the SP, and that led to a gradual paralysis of the construction industry as well; nothing was being built.

In the textile industry, the benefits that were granted the workers -- in the form of yards of cloth given to each worker each week -- diverted the attention of people who thus did not seek to win other benefits. The CP and the SP basically limited themselves to presenting demands similar to the ones they had put forward before (high economic demands, so that they could get what they wanted at the end of the negotiations). They presented a series of demands to their own government. The leaders of the UP parties vigorously encouraged the workers to raise only economic demands; nevertheless, in the construction industry, the Nueva Habana and Puente Alto work sites reacted against this, understanding the folly of the trade-union leaders and their tendency to try to buy off the workers. A left opposition developed among the construction workers at those two sites in order to avoid once again being turned toward exclusively economic problems and abandoning the political problems, which were more important. The majority of the workers were directed toward economic problems and not toward the problem that everyone saw, the problem of the incessant intensification of basic contradictions.

This layer of bureaucrats that was sent into every industry did its best to impose its own rules. Thus, the well known law on participation was in practice a form of compromise of the workers with management, which was imposed from the top and was generally a bad management. But the workers were beginning to replace this management with their own control. They had learned and understood that they could manage the industries themselves and solve their own problems. In certain industries there was a rather clear will to get rid of the political and trade-union bureaucrats. This phenomenon developed more slowly in agriculture. The agricultural workers also suffered the intervention of assessors and coordinators, but not at the same rate as the other workers. In the construction industry, for example, in the second year of the UP government there was already a general paralysis on the work sites. In the last few months, joblessness reached 70 percent; the number of workers who had nothing to do but come and pick up their wages was very high, and these workers were ashamed.

Also, when these same bureaucrats who had paralyzed the industries called for defense of the government (when parliamentary charges were brought against government ministers, for example), the workers mobilized less and less each time, because they didn't see why they should defend these bureaucrats who they had been boost their economic level very sharply. In just a few months they had been able to get hold of good cars, buy houses in the "good neighborhoods," and ostentatiously live "la dolce vita." Such were the representatives of the parties. Not all of them were like that. Some really worked very honestly and developed ties with the workers; but these were very few and, in reality, the workers and peasants saw the growth of a bureaucratic layer that was paralyzing them.

The phenomena of bureaucratization and degeneration cropped up in the sector of production and the public administration. Given the legal regulations (the law on the irremovability of government functionaries, passed during the Frei government), the UP could not appoint more than 2 percent of the functionaries without dismantling the whole apparatus. It would simply appoint functionaries close to the president, people who held his confidence, elements that had integrated themselves into the previous bureaucratic apparatus and were already entrenched and would create new difficulties.

The bureaucracy, which was already large numerically, increased still more during the second year of the UP government. Nothing could be done without prior consultation with the political commissions of the various parties; a director of some public institution could not resolve anything without first going to Morande (the street of the Moneda palace, the presidential residence) or to San Martín or Teatinos (locations of the headquarters of the Central Committee of the Communist and Socialist parties, respectively). During the first period, you could get away with violating the rules of the old bureaucracy, but later the new bureaucrats decided everything and thus paralyzed practically every social sector. The relations between the workers, the pobladores (inhabitants of the poblaciones, the poor neighborhoods) and the governments became more difficult. Several times the Ministry of Labor was occupied by the workers to make the government pay attention to their demands, something that never happened during the first year. There was a sharp change in the relations between the workers, the parties, and the state. There was the development of a phase of decomposition that was very obvious to the workers in all industries and which led to their demobilization. The number of times the workers were called upon to march to the center of the city in pilgrimages -- that's what they were called -- to parade before "San Chicho" (Allende) and chant "Viva el Chicho" and then immediately turn around and go home eventually led to a certain weariness.



Q. After the abortive *tancazo* at the end of June 1973 everyone was talking about the possibility of a coup. What did the UP parties and the other left organizations do to prepare the masses for this possibility?

A. After the *tancazo*, it was clear to everyone that a coup was on the way and the problem was to prepare for it. But during this period there was an even greater division between the parties' leaders and the rank and file. There were discussions at the top between the government and the Christian Democracy to try to find a solution. There were also discussions with the generals, at least during this period. The MIR did this too. The workers were conscious of the need to do something; they formed vigilance committees in the factories and on the work sites, but because of the weapons-control law, the best they could do was to try to get organized. They succeeded, for example, in repelling some assaults by the Rolando Matos Commando, which was acting with complete impunity. The leaders of the parties and the trade unions were continually repeating to the workers that there was no reason to be concerned, that "the generals are asleep, the officers are democrats; sure, there are some fascist-like sectors, but they are under control; the party will organize defense when the time comes."

For the workers, this was a period of intense agitation. The *cordones industriales* pressed for a certain mobilization, but not a very large one, because they were already headed by

a bureaucratic layer of the parties and the CUT (Confederación Unica de los Trabajadores -- United Workers Confederation). Nevertheless, the *cordones* tried.



Q. How did the workers and the various political organizations react when the coup broke out on September 11? A lot of contradictory things have been written about the resistance to the coup. Could you tell us concretely what was the reality and the strength of the resistance?

A. According to the information from those who participated in them, it was in the *cordones* (in particular Cerrillos and Vicuña Mackenna) and in the agricultural zones around Santiago that the main resistance occurred. The workers organized resistance wherever they could. Thus, in Cordon Cerrillos they blocked the streets, distributed arms, and confronted the military. But the workers acted by themselves, without any coordination or leadership. For the most part it was young workers, members of all the parties and those that were in no party at all, not just the militants of the MIR and the revolutionary organizations. In the center of the city the resistance developed only around the Ministry of Public Works; the headquarters of the parties were destroyed early in the morning.

The workers did not abandon their work places, despite the order for a "strategic retreat" that came down on the night of September 11. Many of them could not believe that order and waited two or three days for their leaders to call them to action. Then the military took over the factories and transferred the people they found there to concentration camps. Wherever the workers resisted, they were massacred. Among those held in the National Stadium, nearly 90 percent were young workers, less than thirty years old. The constant question every time a new group of prisoners arrived was, What factory are you from?

As for the participation of the MIR in the resistance, one can say that these militants participated in the textile industry and in Cordon Cerrillos, but more through individual initiative than by centralized leadership. Apparently, no system of liaison had been developed. According to the information of the MIR militants who were taken prisoner, there was no real planning, nor defense, nor counteroffensive. It was the rank and file militants that acted. The MIR leadership did not come forward and there was no concerted action. The MIR militants also participated in the resistance in the agricultural zone around Santiago, but in the same way as in the city.

In Santiago, the encampments and poblaciones that could be said to be controlled by the MIR did not react either. This was not a partial phenomenon; it occurred in all sectors. It did not affect only certain parties; it was general. Everywhere there was a certain fatalism; it was practically a surrender.

The city of Santiago, that is, greater Santiago, has a population of around 3 million. In the construction industry alone, there were 40,000 workers. Nevertheless, a total of not more than 20,000 troops were able to take control of the city in a few hours.

The workers were in their work places, where they went when they heard the news of the military uprising in Valparaíso. They were all prepared to respond to the call of the leaders of their unions and parties. But they waited in vain.

The conditions for resistance to the coup existed. First of all, the workers had the will to defend themselves, as they did in fact on their own initiative in the rare places where they had

the means with which to confront the military. And up to a rather late hour of the morning of September 11 there were also means of communication; proof of this is that Allende himself twice spoke to the country on the radio, but not to issue the orders that the workers and peasants of Santiago were waiting for. Instead, he appealed for calm and told the workers not to launch any action that would lead to a massacre; a massacre that was not averted on any case. No leader of the UP or the other movements used these means of communication to call on the workers to struggle. Nor did the armed apparatuses of the parties and movements give the workers the arms they had, except in very rare cases.

The inability of the leadership to accomplish its task must be traced to the old reformist tradition, a decades-old tradition of entrenched distrust of the working class and distrust of the initiative of the workers on the part of these leaders, who for a long time had managed the proletariat in their own interests.

In face of a coup that everyone had predicted would come soon, they paralyzed the initiatives of the working class, called on the workers to have "confidence in the professional army," which would respect "the constitution and the law," and refused on many occasions to give the workers the arms they were asking for. They obstinately sought instead to form class alliances with the Christian Democracy.

But the Chilean workers and peasants saw how they acted; and not only on September 11, also during the three years of the Unidad Popular government. Among the "prisoners of war" the "Declaration of Rome" issued by the UP parties was very badly received. (The declaration made certain criticisms of the way the UP policy was carried out, but reaffirmed the general strategy of class collaboration and the "peaceful road to socialism." See INPRECOR No.4, July 18, for an analysis of the declaration.) The common reaction was: "They are still repeating the same thing, but they don't say a word to explain that socialism is not dead in Chile." ■

FRANCE

psu divided on sp

The last meeting of the National Council of the PSU (Parti Socialiste Unifié--United Socialist party, a centrist formation) led to a change in the leadership of the party. The debate at the meeting was exclusively about whether or not to fuse with the new Socialist party led by François Mitterrand after the Assembly for Socialism called by the SP for October 12-13. The SP is making use of its success in the presidential election campaign to try to draw into its ranks both a section of the CFDT (Confédération Française Démocratique du Travail--French Democratic Confederation of Labor) and the PSU. For several months, the old leadership of the PSU had already been working with the leadership of the SP, especially the Mauroy majority tendency, behind the back of the party.

Three tendencies clashed at the National Council. There was the old majority, led by Rocard and Chapuis, which accepted the entry into the SP and got about 35% of the votes; the left tendency, led by the federations of Paris (Mausel) and Besançon (Piaget), which rejected entry into the SP on the basis of a perspective of self-managed socialism to be achieved through the destruction of bourgeois institutions. Their intervention was rather confused on various points, notably on the role and nature of the revolutionary party. This left tendency, more and more influenced by former Communist militants who have rallied to the PSU, got about 40% of the votes, which represents a gain of about 10% compared to the vote it got during the fight around the question of whether to run Piaget as a candidate in the presidential elections last May.

Finally, there was a third tendency, much more heterogeneous politically, which was closer to the general lines of the

Common Program (of the CP-SP electoral bloc, the Union de la Gauche) but opposed adherence to the SP essentially by playing on "party patriotism" and the repulsion against the SP that still exists, especially among the very powerful radicalized Christian sectors in the PSU.

This switch in the majority of the PSU is an index of the growing distrust among an important layer of radicalized workers toward the operations the SP is trying to carry out after Mitterrand's electoral breakthrough. The same sort of reticence is appearing more and more among the rank and file of the CFDT, and it is clear that the position of the PSU will cool off the ardor of those who were prepared to rejoin the SP on the basis that the presence of the PSU would represent a guarantee in the operation. Nevertheless, the broadening of the SP will not be fundamentally set back by the position taken by the PSU. Mitterrand himself did not want to accept Rocard and the left and the right wing of the PSU and he did not want to have "ultraleftists" entering his party. It can be expected that Rocard and the whole old leadership of the PSU will go into the SP, taking 2,000 to 3,000 militants with them.

But it is now that the real problems will be posed for the PSU, an organization that will remain with about 5,000 members. It will no longer be "recognized" by the CP and the SP and will have a hard time playing its traditional role of courier between the revolutionary far-left and the reformist parties. The process of political clarification and achieving unity in action with revolutionaries--notably the FCR (Front Communiste Révolutionnaire--Revolutionary Communist Front), the French Trotskyist organization--will be the two key problems that the PSU will have to debate. ■