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## Chicago: Fighting Police Brutality

by Jeff Covington

This past fall, the anger of the Black masses in Chicago threatened to reach the boiling point. The spark was the savage beating of Jeremiah Mearday, an 18-year-old Black youth, by two cops on Chicago's West Side in September. For a time it looked like the issue might create a political crisis for Mayor Richard M. Daley and his administration. As we go to press, Daley has appointed a Black front man, Terry Hillard, to head a department known for brutality and corruption.

Black and Latino youth have been the main victims of an escalating epidemic of police brutality raging across the country. Cop violence is inherent in a society that dehumanizes Blacks, Latinos and immigrants as part of a divide-and-conquer strategy aimed at preventing the working class from cohering its forces and fighting the capitalists' attacks. The Chicago case is important for all revolutionary-minded workers and youth: it both exposes the system and contrasts the reformist and revolutionary strategies for fighting it.

After the beating of Mearday, Chicago's powers-that-be felt growing heat — from marches, protests, community meetings and just the word on the street — and had to make a visible response. So Police Superintendent Matt Rodriguez suspended the two cops, and the city announced that the Justice Department would begin a federal investigation of the Chicago police.

Polishing up the image of the Chicago cops is no easy task. They have a long history of racist and anti-working class atrocities — bloody police riots at Haymarket Square in 1886 and the Democratic Convention in 1968, the Memorial Day Massacre of striking steelworkers in 1937, suppressing the



ghetto revolts of the 1960's. While the ruling class punishes a few cops now and then, its goal is to cover up the character of the police by claiming that "most cops are good cops."

On one level, the government seems to be between a rock and a hard place. Its very existence depends upon the cops, but the Chicago cops reject even the pretense of a "democratic" leash. William Nolan, president of the Fraternal Order of Police, presented a glimpse of how cops really view the measly efforts to discipline the overtly racist "rogue cops." Nolan denounced the suspension of the two as "knee-jerk," then vented his spleen on the Black masses and their friends, supposed and real:

*I'm sick and tired of our officers getting punched and*  
*continued on page 36*

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# LRP Report

The LRP held an educational conference in January, covering the Marxist method and revolutionary work in the unions, the current Asian economic crisis and the "globalization" phenomenon. We also discussed domestic struggles, focusing on the Chicago labor scene. Those interested in future conferences should write us or call 212-330-9017.

In early February, LRPers in New York and Chicago participated in demonstrations against Clinton's threat to bomb Iraq.

## CHICAGO LRP

In the fall, the Chicago group held a public discussion of the lessons of the UPS strike and distributed a leaflet among UPS workers on the need to oppose government intervention in the wake of the Carey debacle. Chicago comrades have also been active in protests against police brutality. (See article on page 1.) We are also organizing a series of semi-public educational discussions. For further info call 773-463-1340.

## NEW YORK LRP

LRP comrades participated in a December 16 support rally for Mumia Abu Jamal, initiated by the ISO. The LRP speaker pointed out that it was the capitalist system, with its deepening crisis and growing attack on the working class, that needed the death penalty more and more. It was also left to the LRP speaker to raise the need for socialist revolution and the revolutionary party.

The ISO also initiated a protest on New Year's Day against Mayor Rudy Giuliani's re-inauguration. While ISO speakers highlighted the need to "organize" to build resistance, the LRP speaker emphasized the concrete need to fight the labor bureaucracy, the main barrier to building a mass movement against workfare and other attacks orchestrated by Giuliani.

## WORKFARE POLITICS

In November, LRPers attended a conference on WEP ("Work Experience Program" — New York City's official name for workfare), sponsored by labor unions and the workfare organizing groups Workfairness and ACORN. The union bureaucrats did not get away unscathed.

At the session on organizing, when the December 10 Jobs with Justice demo came up (see p. 5), the ACORN speaker challenged the moderator, Nick Unger of UNITE, asking how many people from his union would actually participate. An LRPer then challenged the DC37 rep: "How many people will DC37 bring after Stanley Hill stabbed the WEP workers in the back?" Another LRPer noted that the highly publicized results of a mock vote taken among WEP workers showed masses in favor of union representation. There was certainly a basis for mass action if all the unions and workfare organizations would seize the opportunity.

### Están disponibles folletos en español

El LRP tiene una variedad de folletos disponible en español y tendrá más en el futuro. Estos incluyen volantes y nuestra Resolución Política.

Si le gustaría recibir folletos en español, por favor solicítelos por correo al LRP, P.O. Box 3573, New York, NY 10008.

Nevertheless, the last panel, "A Call to Action," had panelists from ACORN, Workfairness, DC37, CWA, Jobs with Justice among others — but no call for action. At the end, Unger stated there would be no discussion — but LRPers and others protested, and he had to give in. Several of the few WEP workers present told us that they admired our militant interventions in an otherwise tiresome and frustrating event.

## IMMIGRANT RIGHTS

The turnout and spirit at the October 12 march to the U.N. for immigrant rights were disappointing, especially after last year's mass march in Washington organized by the same coalition, the Coordinadora. The dominant tone of the event was sweet reason: "Immigrants built this country, so why aren't we welcome?" What should have been a show of force ended up as pleading. The only encouraging response came when the LRP and others booed the singing of the U.S. national anthem, a pro-imperialist gesture initiated from the platform, and sang the Internationale instead.

On January 24, we attended a demonstration of about 200 immigrants demanding permanent residency rights. The majority of protestors were Salvadorans and Guatemalans, from the growing Central American communities in Long Island and New Jersey. Many workers who participated in the misled Salvadoran and Guatemalan revolutions are asking why their heroic efforts and sacrifice have only led to terrible poverty and oppression with a thin democratic veneer — and provided some "revolutionary" leaders with comfortable political careers.

The main speaker, a Salvadoran woman community leader, made the point that Cuban and Nicaraguan immigrants had received 150,000 permanent residency permits, but Salvadorans, Guatemalans and Hondurans had almost none. She appeared to say that, like Nicaraguans and Cubans, other Central Americans had also fled turmoil created by "communists." But many protestors, in the proud traditions of the Salvadoran and Guatemalan working class, did not buy anti-communist rhetoric. They were eager to discuss with LRPers; several asked for copies of *Proletarian Revolution*.

## CITY COLLEGE

LRPers at City College organized a public forum during the Fall on incidents of police brutality, including the torture of Abner Louima. We also held a semi-public meeting on the legacy of Stalinism and its betrayals of the working class and revolution. A forum on Clinton's war moves in Iraq will be held shortly, and a study group on the Marxist theory of the state is being launched. For info call 212-330-9017.●

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# White House Scandals, Imperialist Crimes

As we write, the White House is stepping up its threat to bomb Iraq unless its dictator, Saddam Hussein, caves in to Washington's imperialist demands.

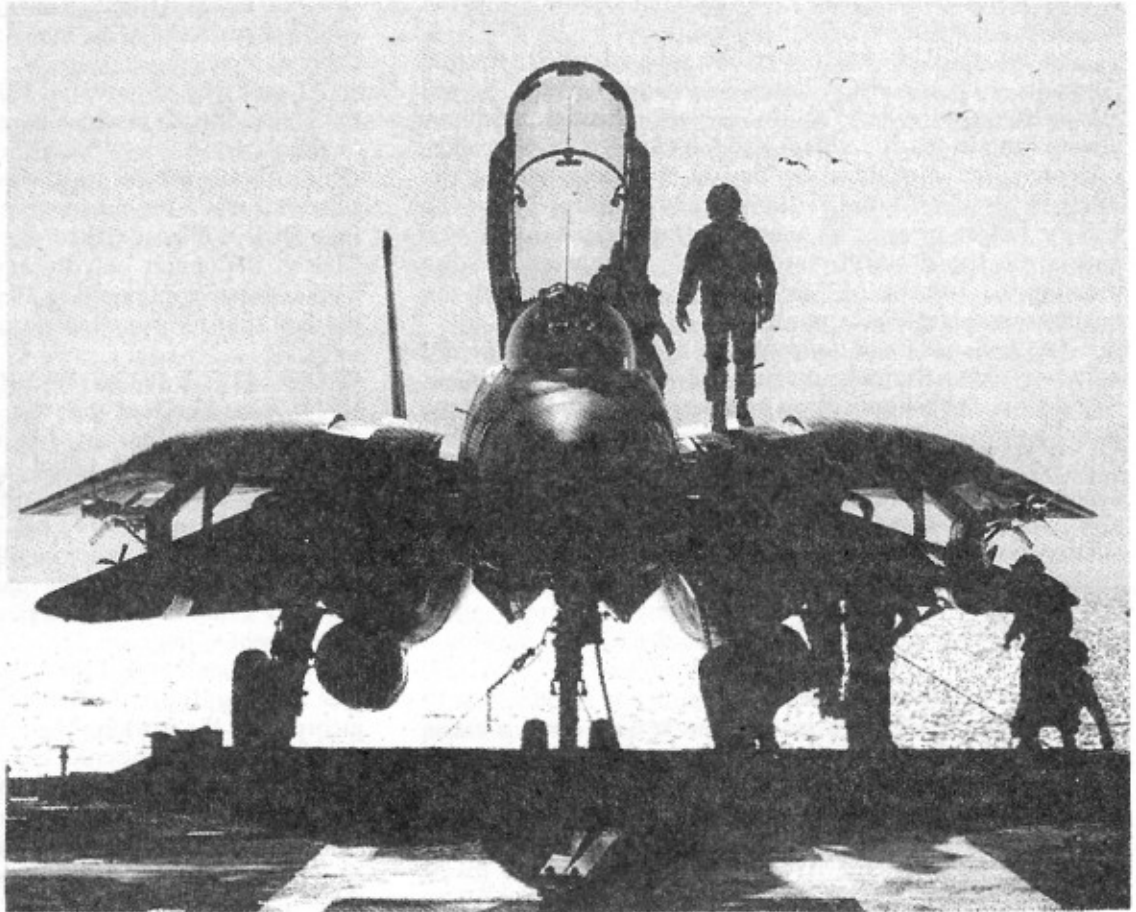
Some say that the war scare and the potential attack are diversions for a president caught up in a sensational sex scandal. But the reality is much more the opposite: the scandal is a diversion from war threats. It covers up the fact that mighty America is trying to prevent Saddam from "using weapons of mass destruction" by raining down mass destruction upon the Iraqi people.

Day after day the U.S. public is treated to the media's drooling over tales about "Bill," "Hillary," "Ken," "Monica," "Linda," "Paula," and the like. Did he do it? In the broom closet or the Holy Oval Office? Is there a "right-wing conspiracy"? Should the Republican leaders openly attack him? Should "Al" (and "Tipper" too!) defend him? All are supposed to thrill to every new revelation and to appreciate or castigate all the Celebrity Soap Opera characters and their foibles and misadventures.

Whatever lies and illegalities are involved in the current scandals, they are petty compared with the anti-working class and imperialist crimes perpetrated by the Democrats and Republicans. The truth cloaked behind all the sordid Washington politics is that these people — bit players aside — are vicious mass murderers. Their claws already drip with innocent blood — hundreds of thousands of Iraqis have died as a result of U.S./U.N. sanctions that deny needed food and medical supplies to a population ravaged by the Gulf War — and now they again threaten to massacre thousands more.

With the death toll of Iraqi children rising to well over 500,000, former U.N. Ambassador and now Secretary of State Madeleine Albright assured the U.S. public that "we think the price is worth it." For the sick butchers in Washington, Iraqi lives are a small price to pay for the assertion of U.S. military power. The pretense: the need to protect the world from Saddam Hussein's chemical and biological weapons.

Washington's hypocrisy is overwhelming. They conveniently neglect to remind us that the materials for these weapons were supplied to Saddam by the U.S. years ago, to be used against Iran and the Middle East masses. The U.S., not Iraq, is the only nation ever to drop nuclear weapons on another country and is the world's leading producer and



supplier of chemical, biological and nuclear weapons. The biggest threat to humanity on the planet has the nerve to claim it acts only in the interests of world peace.

Moreover, Clinton has made clear that the threatened bombing is not aimed at toppling Saddam. Imperialism least of all wants to see a new government in Iraq that can't control the masses. Nor, according to numerous experts, is bombing capable of eliminating Iraq's capacity to build biological weapons. The only effective result will be what the Pentagon calls "collateral damage": human slaughter.

## GULF WARS THEN AND NOW

In 1990, Saddam, once Washington's loyal lackey, got too big for his britches and sought to chew off Kuwait, an imperialist enclave in the Middle East. The U.S. painstakingly assembled all the imperialist powers into a unified bloc to back up an onslaught on Iraq. The 1991 Gulf War devastation was a statement by imperialism, directed not only to Saddam but to all compradors that they'd better obey their masters. At the time, the U.S. carefully worked to secure the support of dependent rulers around the world, particularly the Arab potentates, to back up the imperialist bloc.

1998 is not 1991. Then, the U.S. economy, given its glaring economic weaknesses, was being buoyed by Japanese and German investment. Hardly out of charitable concern — it was profitable, but at the same time these rival imperialists recognized the need to prop up the U.S. Without a leading

superpower as arbiter, imperialist rivalries could tear the world system apart in a new trade war, or worse. Since Gulf oil was far more important to Europe and Japan than to the U.S., the rivals had to gnash their teeth and cede Washington its military control over their lifeline.

So far, the U.S. has the public support of Britain and Australia — no one else. Clinton has made clear that he will attack Iraq even without the other powers. America is once again trying to teach Saddam and his ilk a lesson, as well as reinforcing its chokehold on the oil resources vital to the other imperialists. What is dramatically different is that the U.S. no longer owes its hegemony to Japanese and German aid. Given the decrepit state of their economies and the seeming resurrection of America's, Washington is now the unchallenged imperialist power.

The U.S. has been delivering its new regal message not only to Tokyo, Berlin and Paris. For example, as soon as South Korea's economy came tumbling down, the U.S. came in to "help"; in exchange, it is sucking that country's capital dry. And, in no uncertain terms, U.S. capital is telling Japanese and European capitalists to keep their paws off.

There are other reasons for Clinton & Co. to shake a big stick at Saddam at this moment. One is domestic politics. Party popularity is fleeting these days, so awakening a patriotic flurry by forcing Saddam to back down once again could give the Democrats a lift in the coming congressional elections. (Worth a little Arab blood, isn't it?)

Above all, Washington certainly means its message to Iraq to be heard by the rest of the restive Arab masses. Proof: the U.S. has not pushed the Arab governments to give it the open support against Iraq that it demanded and got in 1991. It is even riskier for them to do that today.

In particular, as we predicted long ago, the phony "peace process" between Yasser Arafat and the Israelis has broken down — at the expense of the Palestinian Arab people. The boiling anger in Palestine has been frustrated but not crushed; it could ignite the whole Middle East. Bombing Iraq is meant to cow the Palestinians too.

### KEEPING THE MASSES DOWN

In fact, fear of the masses is the most important factor underlying Washington's proposed action, even though it is not the immediate cause. Under the rubric of "stability," Washington is constantly warning the masses of the world to take their medicine or else. In the heartland of imperialism, it is difficult for Americans to see just how desperate working people are throughout the rest of the world — and how much "our" imperialism is hated.

The world economic crisis has deepened since 1991. The gap between rich and poor nations is growing, just as the economic chasm between the capitalists and the working class is deepening within the various nations. The middle strata and labor aristocracy are slowly but surely diminishing. In Africa, nations are disintegrating and impoverishment is growing by leaps and bounds. South Africa is a powderkeg. Mexico teeters on the edge of disaster. The Pacific "tigers" are collapsing. The former USSR is coming apart at the seams.

The crisis is becoming apparent even in the leading imperialist countries. The once-vaunted Japanese economy is sputtering. Unemployment dominates the European scene. And below the surface prosperity hailed by media pundits and politicians in the U.S., the crisis is also a factor here.

Right-wing moralists castigate the American people for giving Clinton huge favorable ratings while at the same time

knowing he's lying about his sexual affairs. The truth is that workers aren't stupid. They know Clinton is a sleazeball, and they also know that the economy is in good shape for the rich but not for them. Yet, given the present momentary equilibrium in the U.S., many feel that they aren't doing as badly as they expected to do.

That's why approval of Clinton shot up after a State of the Union speech in which he promised to defend what's left of their past gains — Social Security, hopes for college for their children, job security. Most workers correctly fear what will come when the present bubble bursts. After all, the jobs that Slick Willie points to pay zilch compared to the past. Clinton is popular only because there is no alternative. If workers have contempt for him, their dislike is tempered by the fact that his opponents are no better or worse.

### FROM LITTLE WARS TO BIG WARS

It is no accident that the ruling class does not want a ground war. The first anti-Iraq war was popular only because few U.S. troops were killed, and because it ended quickly before the economy could tailspin, as it did in the Vietnam War. The Vietnam syndrome is still alive in the American working class, so missteps could cause a class explosion. The capitalists know this better than the majority of workers.

Like in past threats and past wars, the drumbeats against Iraq appeal to jingoism. It is no accident that the Democratic Party has spearheaded the large majority of U.S. war drives. The Democrats are the "soft cops" who traditionally aim to incorporate the working class. But when capitalism is unable to deliver, the Democrats cease to be a party of liberal reform and become a war party with their Republican partners.

Today, beneath the hoopla, U.S. capitalism is slowly but surely pointing toward an international trade war — and then its consequence, a future world war. The big war, like the smaller ones leading up to it, will be fought by workers as cannon fodder. The new Gulf war threat and all the accompanying machinations directed toward the other capitalists are steps in that direction. Thus the threatened bombing of Iraq is an attack on workers everywhere, including at home.

In a scene dominated by politicians, lawyers, spin doctors and other professional liars, communist revolutionaries stand out in bold relief: we tell the truth. We disdain to hide our views and our intentions. If the imperialist butchers attack Iraq, we side with Iraq and work for the defeat of U.S. imperialism. We are no patriots; we identify with the international working class. Our first enemy is our own ruling class.

The threat of a new imperialist slaughter in Iraq once again provides a grim reminder that the alternative humanity faces is indeed socialism or barbarism. Every day, the working class and the oppressed masses of the world pay a terrible human price for the continued existence of decadent capitalism. Our rage at imperialism's crimes must be transformed into even greater efforts to build an international revolutionary party. We may not be able to stop this war, but there is only one way to stop imperialist wars for good: socialist revolution. It is a life and death question for the working class. ●

### Correction

In our last issue, in the article on the New York hospital workers' contract, we wrote that \$4.2 of 1199's pension funds would be handed to the bosses in a jobs buyout. The correct amount is \$4.2 billion.

# Rough Ride Ahead For NYC Transit Workers

Recently the "Willie James Team" in Transport Workers Union Local 100 proclaimed an election victory over the New Directions group, the major opposition force in the New York City union. But that victory is not secure. President James made a surprise announcement at the January 26 Executive Board meeting: he offered ND a voluntary rerun of the top 10 local-wide posts. This act of good will is no doubt a result of ND's appeal of the election results to the International — and their stated threat to sue the union with the Department of Labor.

ND held out until James agreed to rerun the entire election. As we go to press, the date of the rerun has not yet been set. ND actually seems to want a *later* rerun than the "Team" — for the benefit of its own election maneuvers. But this would give James yet more time to wreck the union!

What's behind James' offer? It may be that TWU International leader Sonny Hall put pressure on James: in the light of federal interference in the Teamsters, even a hack like Hall can see its better to keep the government out.

In any case, it would be nice to see the corrupt bureaucrat James get his just desserts. Unfortunately, New Directions ran a campaign that failed to mobilize the ranks behind a program of mass action. And they are not mobilizing the ranks against James now. So a rerun of their "vote for me and I'll set you free" bucketload of electoral promises will offer no more the second time around.

## REVOLUTIONARY CAMPAIGN

The TWU represents a powerful force in New York, one that could spearhead a fight back against the racist and anti-worker attacks that threaten to further undermine the working class. However, like other unions, the TWU has been saddled with a do-nothing, sellout leadership that has only encouraged the ruling class and created a sense of demoralization and wariness among the ranks.

The only candidate to put forward a fighting alternative was Eric Josephson, who ran for an Executive Board post in Track Division as an open communist supporter of the LRP. (A full campaign statement was published in *PR 54*.) Eric's fightback program included the following key points:

*Fight Layoffs and Cutbacks with Mass Action!*

*Stop Racist Attacks — Stop Police Brutality!*

*For Unity of All Workers — Union, Non-union, WEP, Employed and Unemployed!*

*General Strike Against the Capitalist Attacks!*

Josephson's election program emphasized united mass action of workers themselves, not just voting for different candidates. He opposed any government intervention in the unions. He did not demand in advance that workers agree with all his proposals or with communism to vote for him. But he underlined the connection between militant mass action to fight the bosses' attacks and the need to build a revolutionary party leadership. As his leaflets stated:

**Instead of continually supporting the political parties of capitalism, it's necessary for the working class to build the Revolutionary Party that will fight to end the capitalist attacks and lead the way to the socialist revolution. As a revolutionary socialist, I see every struggle as part of the larger fight against capitalist oppression. That's why I consistently fight every management attack and work to organize resistance throughout the division and the local.**

In planning his campaign, Eric hoped that the recent victory in the UPS strike might have stirred a more combative mood among his co-workers. Unfortunately, transit workers have not been immune to the generally conservative mood that still dominates our class. ND added greatly to this demoralization by their campaign.

Josephson won 7 percent of the votes in Track. Nevertheless, given our small resources and the political scene at the moment, the fact that he got this many votes, in a campaign that, unlike ND's, pulled no political punches and told the truth, has to be seen as a positive step for our class.

According to the announced results, ND got over 47 percent of the total vote, a gain over their '94 total. ND increased their representation on the Executive Board by 5 (to 20 out of 46 posts). They hung on to divisions they had previously held and gained one division. However, since ND openly projected an overall majority, they could not claim the outcome as a victory. The election certainly did feature plenty of questionable practices. One of several cited by ND was James' use of a union phone bank to contact members. By the time he gave the phone list to ND, many had already mailed in their ballots.

Josephson too was denied access to his division's phone lists. All who claim to stand for clean, open union elections should support the right of all candidates to use the appropriate membership phone and mailing lists in any rerun.

New Directions blew the initial election, not only because the James slate cheated, but because ND didn't address the vital questions of how to build a fight back against layoffs and other imminent dangers. As we reported in *PR 53*, only a year before James had faced an angry, disgusted membership that nearly voted down his sellout contract re-opener with the Transit Authority. This deal had provided for significant givebacks, including the replacement of union workers in the job title of Cleaner by forced-labor welfare recipients ("Work Experience Program," or WEP, workers). Reliable sources indicate that WEP workers will be forced on board this calendar year. But ND barely raised the WEP issue, let alone presented a strategy to fight it!

Another example: the Team, fearing a loss, had unveiled a plan to win greatly improved retirement pensions — at 20 years of service or 50 years of age with no employee contributions — by heavy lobbying of state legislators. ND correctly denounced this as an obvious election-year stunt, at a time when all other public employees in the state are getting the same or worse deals. But ND never explained, as Josephson did, the kind of public employee mass strikes required at a minimum to reverse pension take backs.

While hinting vaguely that some kind of mass action might be necessary, ND ended up saying that they could get better pensions by lobbying better than the Team! Since ND has almost no lobbying experience and the Team has all too much, many Local members were left to hope against their better judgment that the latter actually might win improved pensions.

## NEW DIRECTIONS, SAME OLD CRAP

In sum, New Directions ran a cautious and conservative campaign that relied more on James losing the election than on taking militant action. But as transit workers face the probability of a rerun, their bitterness and anger against the

boss-loving Team will only increase. ND is a major barrier to transit workers regaining their confidence in struggle: if the official "militant" faction never puts militancy forward, why should workers believe a fightback is possible?

In the election ND not only failed to mobilize all the rank and file support and participation it could have, but also undermined Josephson's campaign by fostering the notion that militant actions and big gains are not possible now.

Despite the active leadership role of socialists, including elements from Solidarity and the Labor Party, the reformist New Directions leadership represents no serious alternative to the bureaucracy. The method of Solidarity and other "socialists" who back ND is akin to that of leftists backing TDU in the Teamsters' union. (See the article on page 20 for a deeper discussion of their common "rank and filist" method.) Over time they have moved away from advocacy of

mass action and emphasized electoralism as the road to rank and file democracy. They have relied on the courts, despite the painful history of government attacks on unions and the lessons of the current Teamster debacle. Their claim to be a rank-and-file organization is belied by their hesitancy to organize the ranks even around James' violations of democratic election procedures: they prefer to use the anti-union courts and Labor Department as the ultimate threat, not the mobilization of union members.

In the coming months the struggle of transit workers will heat up. We will honestly, openly and consistently push for the most massive, militant fightback possible — in transit, other unions, and all sectors of the working class where we can have a voice. Advanced workers must join the party now in order to turn the fight for a classwide defense and a struggle against capitalism into a reality. • February 17, 1998

## Workfare March Bows to Bureaucrats

In past issues we've noted the political timidity of groups doing workfare organizing. When it comes to confronting labor bureaucrat sellouts, the LRP often stands alone. Workfairness, the group associated with the Workers' World Party, is at this point basically collecting signatures for Stanley Hill, DC37's president. Hill has stabbed WEP workers in the back repeatedly and has the do-nothing position that laws must be changed before WEP workers can be given union rights and benefits. But Workfairness does his bidding, keeping criticisms down to a microscopic minimum.

When Jobs with Justice announced actions for December 10, we hoped for a truly mass activity — in vain. In New York, the event was originally billed as a march across the Brooklyn Bridge, but was changed to an early-morning rally at City Hall Park. About three hundred people were there at peak. In an unintended parody of the state of the left labor movement, CWA local leader Arthur Cheliotis thanked at least 25 different unions and organizations for being there. But when a union with over 100,000 members like 1199 sends three staffers, they deserve no praise but rather a challenge to actually mobilize the ranks. Of course, the larger presence of the LRP and other socialist groups was officially ignored.

The Jobs with Justice leadership offered no plan beyond symbolic visits to a few city office worksites. Rather than taking a step towards building necessary mass action, JwJ covered up the fact that the big guns in the labor bureaucracy haven't lifted a pinky on behalf of WEP workers — much less really mobilized the union muscle at their disposal.

As the demo was winding down, one LRPer noticed that the president of the Municipal Labor Council, Brian McLaughlin, was giving an interview to a radio reporter, even though he hadn't bothered to speak at the demonstration.

(McLaughlin is also a Democratic state assemblyman and was most recently in the news for endorsing Giuliani for mayor.)

When our comrade challenged McLaughlin as to why the unions hadn't mobilized thousands for the protest, he mumbled that the Municipal Labor Council is not a union but a representative body blah blah blah . . . . When she challenged him about supposedly opposing workfare while supporting Giuliani, he answered that workfare was only "one of many issues" — and walked away. Workers can't get far with this kind of treachery in the unions!

Our specific slogans for the day were *Mass Action to Stop Workfare!* and *Unions Yes, Do-Nothing Bureaucrats, No!* The reasoning behind these slogans was explained in our leaflet for the event reprinted below. It was well-received by the few WEP workers actually there.

### Real Jobs, Not Slave Labor! Mass Action to Stop Workfare!

In 1996 President Clinton signed the "Personal Responsibility Act" which ended welfare. It also proved what revolutionaries had been warning against all along: Democrats are just as much the enemy as Republicans.

Both parties support workfare because it is a way to boost profits that the capitalist system needs. Workfare or "slave labor" is used to lower all wages, erode unions and increase racism, sexism and other divisions within the working class. They always save the biggest attacks for Blacks and Latinos because their system of exploitation depends on racist divisions.

Even before Clinton's assault, New York Mayor Giuliani, with the traitorous assistance of DC37 President Stanley Hill, had already placed thousands of welfare recipients into city jobs in the "Work Experience Program (WEP). Hill heads a potentially powerful union of over 100,000 workers who essentially make the city run. But instead of using union muscle to benefit the working class, Hill collaborated in the workfare scheme, taking away decent union positions and deepening discrimination within the working class to new lows.

*The ruling class first used workfare as an experiment here and elsewhere. When they saw that the resistance of union and minority leaders was negligible, they went full steam ahead.*

And that's the situation right now. There are only two choices. We can allow workfare to continue. If so, the already

#### *I Would Like More Information About the LRP/COFI*

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massive workfare plan is going to be escalated in New York and across the country. Private companies will get even bigger handouts in the form of government-enforced cheap labor. More union jobs will be lost. In sum, the whole range of racist and anti-worker attacks will escalate as the bosses get more confident and aggressive.

The other choice is to stop this vicious scheme through a strategy of mass action. Up until now the bosses and their political parties have been allowed to put the entire working class, employed and unemployed, on the defensive. But there is no basis for continued gloom and doom; we are not helpless victims but working people who have the capacity of uniting into a powerful fightback.

In fact, by placing welfare recipients into large numbers of city jobs, the ruling class has created a force that could come back to haunt them. WEP workers, united in mass action with other city workers, union and non-union, can stop the workfare plan in its tracks.

### **MASS ACTION, YES! DO-NOTHING BUREAUCRATS, NO!**

For this to happen it is necessary to go beyond the small-scale demonstrations which have occurred to date. Of course, working people should support every action and just demand in the workfare struggle. But that doesn't mean we should settle for small potatoes.

There are three organizations that have been organizing WEP workers. One is the reform organization ACORN (now sponsoring a local WEP Workers Organizing Committee). The other two are WEP Workers Together (a coalition of a number of reform organizations associated with the Protestant Welfare Agencies and some local union leaders, such as Communication Workers of America (CWA) Local 1180 president Arthur Cheliotis, and Workfairness, a group associated with the Workers World Party.

While each of these groups has signed up thousands of WEP workers, they generally set small goals. Some gains have been won through action over specific issues regarding conditions of work, such as the horrid lack of safety gear and appropriate facilities. But hardly enough can be won just this way! The size of activity so far doesn't come anywhere near

the massive numbers of WEP workers who have signed up. Yet it is only large scale action that will shake up the system enough to force dramatic change across the board. The point is to use the actions now underway as stepping stones to citywide action.

ACORN, WWT and Workfairness do not in themselves have enough power to call the citywide mass actions that are really needed. We can't fault them for that but we do fault them for not coming out and saying the truth about what is really needed.

The main barrier to mass action is the labor bureaucrats like Stanley Hill and President Willie James of the Transport Workers Union (TWU). These bigwigs control powerful unions that could shut down transit and all the other levers of the economy and force the government to accept unionization of workfare workers and other demands. As long as the hacks hold powerful positions, they have to be forced to take the heat. But instead of exposing the betrayals and inactions of the labor bureaucrats, ACORN and the others basically cover up for them and the Democratic Party politicians too. Jobs With Justice, the coalition of left labor and community activists which is calling the December 10 action, closely associated with the Sweeney AFL-CIO leadership, follows the same kind of policies.

### **WORKING CLASS NEEDS UNITY**

If the UPS workers could win a victory by uniting and receiving solidarity support from other unions and workers, then workfare workers should demand no less! The UPS strike won because the vast majority of the working class supported the idea that everyone deserves a full time job at equal pay. Likewise, more and more workers are realizing that workfare will bring down their wages and living standards too — even many of those workers who were originally fooled into supporting welfare cuts.

But how will this occur? For a start, the divisions among the various reform organizations involved in workfare organizing (ACORN, Workfairness, WWT) cannot be allowed to stand in the way of building a real united mass action.

But uniting the current workfare organizations in action



*LRP says, "Stop Workfare! Jobs for All!"*

is only a small part of the necessary path. All workers and organizations that support the workfare struggle must demand that the Central Labor Council and every union in New York mobilize its ranks against workfare and in favor of demanding real jobs at union wages for all. Neither Hill nor any other union leader should be allowed to pretend to support workfare organizing while stabbing us in the back. When union leaders refuse to mobilize their unions, then workfare workers and union members should follow through by organizing united demonstrations which demand that the unions come out for us. The unions have the power to mobilize hundreds of thousands of workers. We can't allow them to sit on their hands, while making phony speeches of sympathy with welfare recipients.

On this score, Willie James, president of the powerful Transport Workers Union (TWU) is in line with Stan Hill. James is expected to initiate the agreement to place WEP workers into cleaners' positions in Transit in the near future.

Above all, militant mass demonstrations that unite WEP workers and other workers can begin to make the working class see how powerful it is. It will get the bosses and their politicians, who are sitting pretty after Giuliani's reelection,

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## Asian Crisis

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*continued from page 40*

The working class cannot accept the bourgeois explanation of the crisis, much less the prescriptions that go with it. The economic turmoil is not the fault of errant governments or corporations. Nor is it the result of economic laws of nature that the world is doomed to live with. It is the inevitable consequences of a capitalist system based on the exploitation of workers in the interest of profit. It confirms the understanding of capitalist economy developed by Karl Marx over a hundred years ago, as well as the analysis made by us in the LRP in the last twenty years.

The crisis that surfaced in Asia grew out of three inter-related factors: *overproduction* of capital, the enormous expansion of *fictitious capital*, and *stagnation* — the long-term decline in world profit rates. While all these factors have been observed by bourgeois commentators and theorists, only a Marxist analysis can bring out the close relations that link them and spell out the limitations of capitalism.

Underlying the collapse of banks, companies, stocks and currencies in South East Asia is a crisis of *overproduction*. Industrialists around the world have produced more products than can be sold. Referring to the rapid rise in industrial manufacturing in East Asia, the *New York Times* worried (Nov. 16):

**The danger is that at some point this house of cards must tumble down. In an open-border global economy nearly every car manufacturer, for example, is trying to have a presence in every market. But when all the factories crank out more cars than people can buy, down come car prices. Down go the profits of car companies. Out go the workers. ... Economies can spiral downward toward recession, or worse. That is what is beginning to happen in Asia now.**

Overproduction is indeed pushing the capitalists to lower prices in an effort to outsell their competition, thus lowering their profits further. For example, 1997 saw the price of new cars around the world declined by 5 to 10 percent as pro-

worried. Inevitably, the working class will want to take its struggle further — by building united strike actions that can shut down profitmaking and government services in order to make our demands heard.

The League for the Revolutionary Party (LRP) advocates a strategy of mass action. We know that the workfare struggle is critical not only to the fate of WEP workers but to the entire working class. Because of the need for working-class unity and a general fightback, we also see the need to use this strategy to build for a *general strike*, which can go a lot further in stopping the immediate capitalist attacks and beginning to build an alternative political solution to capitalism.

Workfare, police brutality, union-busting, increased attacks on Blacks, Latinos, and immigrants and all the other horrors we suffer today stem from the capitalist system. It is not only mass action that is needed but a new leadership. A revolutionary leadership will have to replace the labor bureaucracy if the working class is to ever thrive. Through struggle the working class can not only build an immediate defense but build a revolutionary party to lead the struggle to overthrow capitalism altogether. ●

ductive capacity soared. Computer chips declined in price by an amazing 80 percent in the same period. The price of some drugs like penicillin has fallen by almost 50 percent.

Even for bourgeois commentators, overproduction is only part of the problem. Gluts in the commodities markets, rapidly falling prices, and collapsing profits can lead to bankruptcies — in the end, an all-out depression. The *Wall Street Journal* comment in the box on page 40 is a case in point.

The prospect of a depression is all the more likely because of the current financial instability. Marx introduced the category of *fictitious capital*, financial valuations not based on the real value determined by productive labor. An outstanding example today is the long stock market boom in the U.S., which has produced spectacular overvaluations. The *London Financial Times* (Oct. 7) said:

**The market is currently at close to 130 per cent of underlying corporate net worth. This is higher than at any time since 1920, double its long-run average and about three times higher than a decade ago. ... Indeed, if history is a guide, such a highly valued market could tumble a long way. A fall of two-thirds would not be unprecedented.**

Likewise, both the ruling-class *Economist* (Nov. 1) and the radical *Left Business Observer* (Feb. 1997) calculated that the U.S. stock market is overvalued by about a factor of 3. Similar overvaluations brought down the Asian markets and triggered the present crisis.

Nevertheless, some bourgeois thinkers tend to downplay the depth of the crisis, treating it as a superficial financial problem while the underlying real economy of production and services remains sound. The British bourgeois journal, *The Economist*, writes:

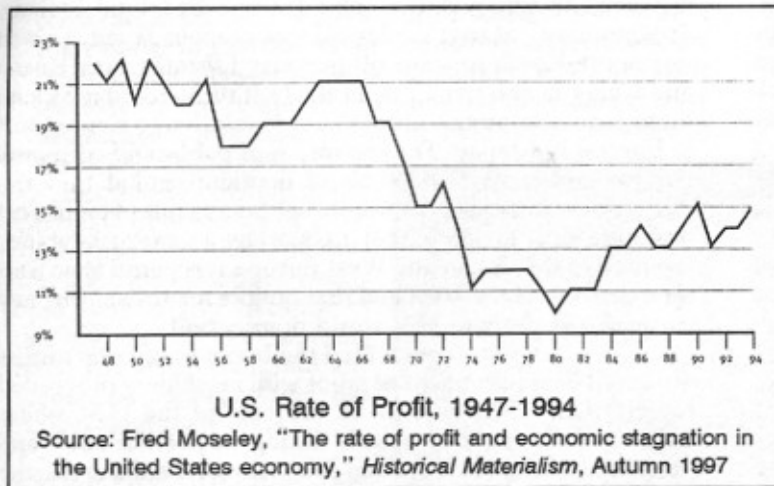
**Failing banks can be dealt with. Asia's current difficulties have already been faced and mostly overcome in Latin America. ... If Asia's governments act firmly to reform and revive their banking systems, the region's economic problems will prove manageable.** (Nov. 15.)

That, however, is more a demand for bowing to imperialism's dictates than a guide to establishing economic stability.

The third factor behind the crisis, *long-term stagnation*, is not so often mentioned in the U.S., because it conflicts with



the proclamations of prosperity that the bourgeoisie likes to trumpet throughout the land. On a world scale, capitalism has been in a 25-year slump. Per capita growth has dropped steadily from an average of nearly 3 percent between 1965 and 1973: it was 1.3 percent from 1973 to 1980, 1.2 percent in the 1980's, and one-half of 1 percent from 1990 to 1995. Of course, the drop has been uneven, much worse in the



poorest countries. Within most countries as well, the gap between rich and poor has widened.

In the U.S., economists have strained to explain the sharp decline of growth since the early 1970's. The fundamental cause is the slowdown in the rate of profit. Academic Marxists have gathered and analyzed data showing a clear fall in the profit rate from the end of World War II to about 1980; then a slight increase, due to the stepped-up attack on workers' living standards that began under President Carter and has accelerated in the Reagan-Bush-Clinton years. (F. Moseley, *The Falling Rate of Profit in the Postwar United States Economy*, 1991; A.M. Shaikh and E.A. Tonak, *Measuring the Wealth of Nations*, 1994.) The fact that some have gained allows the appearance of prosperity in the U.S. But the prosperity is temporary as well as narrow; the rot is real.

### CRISES AND THE EPOCH OF DECAY

Underlying the three major elements of crisis are the laws of motion of capitalist economy discovered by Marx. We can only sketch these laws here; for a full explanation, see the LRP's book, *The Life and Death of Stalinism: A Resurrection of Marxist Theory*, Chapters 1 and 2.

The essence of capitalism is the exploitation of the working class by the capitalists and the resulting struggle between these two classes. The sole aim of the capitalists is to amass greater profits in order to accumulate capital. Marx proved in his masterwork, *Capital*, that profits derive from surplus value, which can only come from the exploitation of human labor. The capitalists can increase their extraction of surplus value in two ways. They can force workers to produce more for less, by increasing the duration and intensity of labor or imposing wage cuts. But the most characteristic and effective way for capitalists to gain more surplus value is to replace workers with machinery in the production process, to increase the productivity of labor.

The anarchic competition among capitalists to amass profit at the expense of their rivals by increasing labor productivity drives the capitalists to overproduce goods. Ini-

tially, the introduction of new technology gives individual capitalists an advantage, so their profits boom. When their rivals also increase their productive power, more goods are produced than can be sold for a profit. The resulting crises of overproduction lead to depressions, wipe out uncompetitive companies and create mass unemployment. Thus they prepare the way for profits to rise and the cycle to be repeated. Thus, as Marx was one of the first to observe, capitalist economy generates periodic cycles of boom, crisis, depression and recovery.

The capitalist system is driven to increase the productive power of the economy to a point where, for the first time in history, the potential exists for an abundance that could satisfy all human needs. But because the system is driven by private profit, it actually produces starvation and other catastrophes.

Following Lenin, Marxists have called the 20th century capitalism's "epoch of decay." It is an era dominated by imperialism, featuring revolutions as well as counter-revolutions and pointing to the transition to socialism. The First World War first showed the extent to which capitalism's contradictions had come to a head. The system's accumulation drive produces larger and larger firms, separating out a monopoly layer of capitalists who dominate the economy and the ruling class. At the same time it massively develops and organizes the proletariat, to the point that the working class becomes a threat to bourgeois property. As we wrote in our book:

**Once the developed proletariat appears on the scene as a potential alternative, the bourgeoisie turns to centralization in the political sphere as well as the economic. Surplus value has to be turned away from productive accumulation and expended increasingly on means of repression. Measures have to be taken to forestall new crises, lest turbulence and additional misery drive the masses to revolution; these measures inevitably weaken the system's growth. The state apparatus expands to control and (in part) buy off the masses; militarization and nationalism are stepped up to divert the class struggle; ideologies like racism and the sanctity of the family are broadcast to keep the proletariat divided; ultimately the bourgeoisie turns to world war and fascism. All this is not a bourgeois plot, although capitalists do conspire. It derives from capital's laws of motion. (p. 73.)**

The same laws that produce capitalism's cyclical crises of overproduction also contribute to its epochal decay. Since human labor is the only source of surplus value, the drive to replace labor with machinery means that over time the system derives less profit compared to the amount of capital invested. Hence the rate of profit for the system as a whole has a long-term tendency to fall. The creation of new capital undermines the value of existing capital. As Marx put it, capital becomes a barrier to its own development.

During the early years of capitalism, the cyclical crises effectively purged the system of inefficiencies and prepared the way for a new boom cycle: uncompetitive companies went bust, the stronger companies were able to buy the plant and equipment of the failed companies cheaply, unemployment forced down the costs of labor significantly. These effects counteracted the tendency of the rate of profit to fall.

After each crisis cycle, the most up-to-date companies were able to produce profitably. But other firms, if they survived, found their investment worth less: their capital was in effect devalued because competitors could produce more

efficiently. As a result, the value of their capital now has a fictitious element. Rates of profit, however, are based on what capitalists paid for their equipment, not what it is presently worth. So the backward capitals suffer the major burden of the falling rate of profit tendency.

Each new crisis has concentrated more of the economy in the hands of ever larger monopolies. The monopolies in turn increasingly used their power in the economy and over their national governments to dampen the effects of the cyclical crises. They have been bailed out of near-bankruptcies by emergency loans or gifts from the state; some have been nationalized at public expense. Such measures became particularly necessary because the collapse of one monopoly threatens to bring down others — major firms employ tens of thousands of workers and are financially and commercially tied to every major sector of the capitalist class. Thus the inefficiencies of the system are propped up, and fictitious capital is vastly expanded. By delaying the cathartic effects of the cyclical crises, the tendency of the rate of profit to fall is intensified — and with it the system's historic crisis.

#### POSTWAR BOOM TURNS TO BUST

The business cycle of crises and falling profits was seemingly broken after World War II. For twenty-plus years, the imperialist powers enjoyed an unprecedented period of uninterrupted prosperity. The 1929 stock market crash and ensuing depression purged the system of much uncompetitive capital and weakened the working class. The working classes of Europe, Asia and the Soviet Union suffered historic defeats at the hands of fascism, Stalinism and "democratic" imperialism. The war itself saw the destruction of more capital, thus opening new opportunities for redevelopment, as well as inflicting further defeats on the working class. As a consequence, the rate of exploitation rose worldwide, and profits rose with it.

At the end of the war, the U.S. emerged as the dominant power, militarily and economically; both enemies and allies had been defeated or weakened. Two-thirds of the world's industrial production took place inside U.S. borders, and the colonies of the European powers had been pried loose for

## THE LIFE AND DEATH OF STALINISM

A Resurrection of Marxist Theory  
by Walter Daum

A thoughtful, and indeed in many ways, an ideologically exciting book. Whether you accept its main thesis or not, and . . . this reviewer does not, it will still challenge your presuppositions and force you to rethink your ideas from top to bottom in the most rigorous way. And unlike most would-be Marxist texts these days, it is written in intelligible English, which is no small gain as well. *Al Richardson, Revolutionary History*

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American exploitation. Thus much of the booming profits were concentrated in the hands of the U.S. ruling class.

Bourgeois states used all their machinery to prevent a major depression: in the imperialist countries, social safety nets were erected to stave off any resurgence of revolutionary class struggle. Of course, the gains for workers were uneven: Blacks, Latinos and immigrants in the U.S., for example, were for the most part left out. Abroad, the Marshall Plan was used to pump dollars into Europe and hold Stalinist "communism" at bay; similar aid was given to Japan, Taiwan and South Korea to stave off perceived threats from Russia and China in the Far East. Protection of U.S. industries let them grow increasingly obsolescent in relation to competitors in Europe and Japan. The expansion of public and corporate debt created a massive bubble of fictitious capital.

Two decades without a thorough wiping out of inefficient capitalists led to the threat of worldwide overproduction, especially when Japan and West Europe recovered from wartime destruction and reached first rank in manufacturing and became real rivals to U.S. world domination.

The conditions that created the boom eventually turned around. The replacement of labor with machinery proceeded rapidly. This is shown even in the case of the U.S., where massive investments were made during the postwar boom and have intensified since, along with the downsizing of the workforce. Adjusting for inflation, the value of assets per worker in manufacturing grew from \$9,300 in 1963 to \$26,040 in 1987. The resulting decline in profit rates, cited above, clearly shows the accuracy of the Marxist analysis.

The massive military budgets of both imperialist and non-imperialist nations have added to the core stagnation of the world economy. Arms production helped stimulate the boom, but it also represented a considerable drain on productive investment and therefore on economic renewal — above all in the U.S., the USSR and Britain. This and other techniques for dampening the business cycle left crises unresolved: old capital was not sufficiently devalued and backward industries continued to operate. Recessions became less profound but more frequent; the postwar cycles averaged less than five years rather than the nearly ten of the past.

As various enterprises faced bankruptcy, the ruling classes saw they could not afford to allow major corporations or banks to collapse, lest they bring all their trading and financial partners down with them. For this reason the Chrysler Corporation was bailed out by the U.S. Congress in the late 1970's. Even "free-market" Republicans intervened to prop up failing firms and banks if they were big enough. When Continental Illinois, one of the country's largest banks, collapsed, it was taken over and for practical purposes nationalized under Reagan. Likewise with the massive government bailout of the Savings & Loans banks under Bush.

Finally, the combination of overproduction and fictitious capital left fewer outlets for productive investment. This forced the rapid rise of speculation on the stock market, currency and debt trading as capitalists sought to make quick profits. This drove the massive inflation of fictitious value on the stock markets in particular.

It is no wonder that the pace of recurring crises has quickened notably since the end of the boom. From the late 1970's on, financial turmoil has surfaced every few years — even though stock markets have been booming since the early 1980's.

The danger has been recognized in some bourgeois quarters, including by a former Reagan adviser:

Policy officials and leaders of the private business sector worry a great deal about the risk of a major breakdown in the functioning of the economy. Many of the conditions and the events of the 1980's — including the failure of most of the less developed countries to service their debts, the deterioration of capital among money-center banks, the large numbers of bankruptcies of the thrift institutions, the wide swings of currency exchange rates, the increase of corporate debt, and the stock market crash of 1987 — have contributed to the fear of an impending major economic crisis. Rapid changes in financial markets and a dramatic increase in the complexity of financial instruments have heightened those fears. (Martin Feldstein, *The Risk of Economic Crisis*, 1991.)

But this was written in the aftermath of the shock of 1987. Since then bourgeois pundits and theorists have been overly optimistic, largely because of the retreat of the working class. The Asian crisis, not any theoretical understanding, has reawakened their fears.

#### FROM THE COLLAPSE OF STALINISM ...

Our analysis of the Stalinist economy as a statified form of capitalism has proved crucial for understanding the developing world crisis. We knew that those societies were based on the exploitation of the working class by the ruling bureaucratic capitalist classes. In particular, we understood that state ownership in those economies represented an extreme form of the concentration and centralization of capital characteristic of this epoch — the very factors that exacerbate the historic profit crisis. In articles in this magazine and in our book, we showed that the Stalinist rulers used their state ownership to prop up incredibly backward industries and suppress cyclical crises. This led to gross overproduction, largely in the form of waste, and a fictitious valuation of their currencies.

We developed this analysis at a time when almost all of the left — both those who saw it as some form of post-capitalist society and those who saw it as capitalist — considered Stalinism strong compared to Western capitalism. We alone predicted that as the crisis of the world economy intensified, the Stalinist economies would be forced to turn to traditional bourgeois forms of exploitation like massive unemployment and inflation to try to raise their rates of exploitation.

The same crisis that brought down the Stalinist economies is driving through the rest of the world economy, bringing down the next weakest links. We are now in a position to understand what made the newly industrialized economies of East Asia most vulnerable to the profit crisis.

#### ... TO THE END OF THE "ASIAN MIRACLE"

As the postwar boom ended, East Asia became the site of a unique industrial expansion hailed by the capitalists as

the "Asian miracle." The correspondence on page 14 describes in some detail how this took place. Briefly, South Korea and Taiwan took advantage of U.S. sponsorship and highly centralized, state-aided businesses to build up industrial production. With slightly out-of-date plant and equipment, the capitalists of the Asian tigers used their super-exploited and repressed working classes to produce cheap industrial goods for export. As profits in the imperialist centers declined, Japanese and U.S. capitalists also directed investments and loans to these countries. But this rapid development was built on weak foundations.

By the early 1990's, the tigers found themselves caught between competition with hi-tech production in the imperial-



*Mass working-class strikes have wracked South Korean capitalism.*

ist countries and even lower-wage production elsewhere in Asia, especially Stalinist Vietnam and China. As profits declined, the companies turned to further state support and massive borrowing. For example, just as Stalinist governments would buy surplus products at a loss to prop up industries, the South Korean government would buy surplus steel at inflated prices. Even so, its biggest steel producer collapsed at the beginning of 1997.

While Japanese companies relied on state protection to shield them from competition from cheap East Asian goods, and U.S. companies could use long accumulated savings to aid their struggling operations, the newer East Asian firms had no choice but to borrow. While typical U.S. companies carry no more debt than they have equity (stock ownership), 25 of the top 30 South Korean companies have debts three times greater than their net worth, and 10 have debts more than five times greater than their net worth (*The Economist*, Nov. 29.) When the South Korean shipbuilding firm, Halla, collapsed, its 5.3 billion dollar debt was some 20 times its total equity. Likewise, at the end of 1997, Malaysia's debt was almost twice the value of its Gross Domestic Product.

During the tigers' period of industrial expansion, their currencies were hotly sought after by speculators on the finance markets. Expecting they would be able to trade these

currencies for U.S. dollars as profits rolled in, speculators drove up currency values. But when the overproduction crisis reached a peak and firms could not pay their debts, banks collapsed and the speculators rushed to sell East Asian currencies, slashing the value by huge amounts. The value of South Korea's currency was halved in a matter of months, and its stocks have lost 60 percent of their total market value in U.S. dollar terms. This confirms the range of stock-market overvaluation cited earlier in the article.

### THE IMF "SOLUTION"

With companies and banks collapsing one after another, stocks crashing and their currencies devalued, the rulers of South Korea, Taiwan, Indonesia, Thailand and Malaysia had to act decisively. Promising to launch severe austerity measures against the masses, they rushed to the IMF and World Bank for emergency loans.

But the imperialist powers behind these financial institutions, particularly the U.S., have no interest in doing rival capitalists any favors. Their bailout packages are intended to save their own investments in these countries and to subordinate the upstart economies to their interests. Thus the IMF loan of approximately \$65 billion to South Korea was tied to demands that South Korea end both restrictions on foreign ownership of companies and controls over trading on its financial markets — as well as a commitment to end laws preventing mass layoffs of workers. The imperialists also demanded guarantees that the government would not prop up the weakest companies but would let them collapse, thus allowing imperialists to buy their assets at cheap prices.

The loan to South Korea was generous compared to those given Malaysia and Thailand. With less to lose there, the U.S. offered much smaller loans, hoping to leave many companies ripe for bargain picking, as well as to simply eliminate others as competitors.

At best, the scheme can only work for a short time. The loans will probably prevent some major firms from collapsing, and austerity, if successful, will raise profit rates. But the lesser firms destined to collapse are intimately connected with the bigger ones; the strong are not immune to the diseases of the weak. A shakeout that restores high rates of profit and ends the capitalist scourge of overproduction requires bringing down at least some of the powerful — but the current loans are designed to prevent that from happening. Thus the new loans only postpone the crisis and increase the amounts that will be lost when the collapse comes. It is essentially for this reason that the USSR could not collapse slowly with a soft landing.

Moreover, the loans must be paid back in U.S. dollars. Halving the value of many East Asian currencies means that the interest on outstanding and new loans is doubled. The crisis will intensify the Asian economies' indebtedness and likely turn them into chronic debtor states. This is how the imperialists dealt with the 1980's debt crisis in Africa and Latin America. Thus "Third World" debt increased by 250 percent, from \$906 billion in 1980 to \$2.5 trillion in 1994. New loans were taken out to pay for the original debt, which by now has in effect been paid many times over; while currency devaluations undermined loans and multiplied interest

rates. (World Bank, *World Development Report 1996*.)

The bailout packages will not stop the crisis from spreading across the world. The effect of the Asian collapse on the imperial powers is necessarily uneven: Japan has lost the most; the U.S. — so far — the least. But the shockwaves of the crisis continue to spread.

South Korean capitalists have had heavy investments in Brazil and have played a major role in propping up the Moscow stock exchange. Now they are pulling their investments out of these countries. Since slowing production means less demand for raw materials, prices of raw materials are dropping, causing panic in countries dependent on their export. Similarly, imports by the tigers of technology and



*Almost. But reopened, in absence of proletarian vanguard party.*

equipment from the imperialist countries are dropping. Malaysia, for example, is already backing out of a deal to buy new jets from Boeing.

The threat of discount manufactures from the tigers flooding onto the markets of Japan, West Europe and the U.S. has some bourgeois commentators concerned enough to oppose the IMF program. In the U.S., politicians like Democratic House leader Dick Gephardt and labor leaders like AFL-CIO head John Sweeney are gearing up to fight against any new inflow of Asian goods. The reactionary columnist and former presidential candidate, Pat Buchanan, is mounting the barricades for additional tariff protections against Asian imports. The headline of one of his columns was "The Coming Plague." Soon he and his ilk will be ranting in more openly racist terms.

### SPREADING SHOCKWAVES

As competition between the imperialist powers intensifies, particularly between the U.S. and Japan over which gains the most from the crisis in Asia, the drive toward protectionism and trade war will accelerate.

The overblown U.S. and Japanese stock markets pose a dangerously unstable situation for the international capitalist economy, especially given the world's productive overcapacity. A stock market fall can not only wipe out fictitious capital; it can disrupt credit transactions and thereby bring real production to a halt.

South Korea's troubles alone will not puncture the world financial balloon. Its global investments amount to less than \$15 billion, a trifle compared to the giant economies of the U.S., Japan and Europe. But the world economy is now even more globally interpenetrated than when markets last underwent a major tremor in 1987. A large share of Japan's economy depends on exports to Korea and Southeast Asia. Japan has been in recession for years: since mid-1995, its Gross

Domestic Product has fallen by over 20 percent. And it plays a major role in the world economy, industrially and above all financially.

The U.S. alone borrows a billion dollars each business day, with Japan the chief supplier. If Japan has to borrow heavily to rescue its own economy, world financial markets would collapse; likewise if Japan's capital supplies turn out to be as fictitious as they appear. In this regard, Japanese stock market values have been even more bloated than American. A *New York Times* article reported:

Officials here are extremely sensitive to the stock market's every move because weakened Japanese banks have big stock portfolios that are counted as capital, an important determinant of their lending power. So a significant slide in stock prices would almost surely reduce that lending power and cause a severe credit squeeze, which in turn would damage the economy. (Dec. 17.)

And not just in Japan. It is no wonder that end-of-the-year economic forecasts are predicting slower growth than previously expected for every country, the U.S. included.

Japan will try desperately to prop up market prices, undoubtedly through a further attack on working-class incomes. It will also try to lay the brunt of the crisis on the backs of the weaker countries whose economies Japan powerfully influences. And in turn, Korea, Thailand et al will try desperately to take advantage of their collapsing currencies and export their way out of crisis.

To sum up, the decades-long postponement of a cathartic downturn that could revive the rate of profit has made the world economy increasingly unstable. The balloon of fictitious capital remains and grows, the rate of profit remains low with its falling tendency ever present. All the elements are in place for the next great international depression.

#### WORKING-CLASS RESPONSES

Capitalism will survive only by laying its crisis off on the working class, if necessary by bringing about depression or world war. Its ability to do so depends on the response of the working class. The key task for revolutionaries is building proletarian parties to resist the attacks. These parties must stand uncompromisingly for doing away with capitalist rule.

The South Korean working class is now at the point of the international bourgeois attack. This young proletariat has an exemplary history of struggle. Its militancy reached revolutionary intensity against the military dictatorship of Chun Doo Hwan in 1980 before being bloodily repressed. In the past decade, several enormous strike waves built strong unofficial unions and culminated in a general strike movement last winter (See *PR* 54.)

The election as president of the bourgeois oppositionist, Kim Dae Jung, in the midst of the crisis in December, was aimed at helping the ruling class dull the working class's hatred of the regime. The *Times* quoted Donald Gregg, former U.S. Ambassador to South Korea:

I know there are doubts, but Kim has several hidden advantages in dealing with the economic issues. . . . He has more credibility with the unions than any other candidates would have enjoyed. (Dec. 20.)

The new president-elect has already agreed to let South Korean companies lay off workers with job guarantees. The official unions agreed, but the new union federation, the

KCTU, talked of mass demonstrations against layoffs and U.S. "interference." In February, KCTU leaders signed on to the proposed deal. But they were repudiated by an emergency delegate assembly, which forced the leadership to resign and called for a general strike. (As we go to press, this call too was reversed.)

These are crucial moments in the class struggle. At such



Bangkok, Oct. 1997: Protesters confront government leaders.

a juncture, leftists' analyses of the crisis are put to the test. But many only add to the problem. In the social-democratic magazine *In These Times*, for example, Bruce Cumings places his faith in Kim Dae Jung:

The recent economic turmoil created the conditions for the December election of long-time dissident Kim Dae Jung, whose courageous career of resistance to repression compares with Nelson Mandela, Vaclav Havel and Corazón Aquino. Hopes are high that the new president will rein in the power of Korean big business . . . (Feb. 22.)

Comparing Kim with Mandela and others is apt, but not the way Cumings thinks. Yes, those leaders suffered heavy repression under dictatorial regimes, but now they serve as loyal agents of capital in its drive for austerity. (*PR* readers are familiar with our many articles detailing the anti-working class line of Mandela and the ANC in South Africa.) The hopes Cumings endorses are disastrous for the working class.

Most of the left press deals with the economic crisis by seizing on one aspect as decisive, thereby missing the impact of the present conjuncture. Some focus on the financial tumult and overlook the contradictions of the real economy underneath. More common — as with *Workers World*, *Progressive Labor's Challenge* and the ISO's *Socialist Worker* — is an emphasis on overproduction as the cause of the crisis, as do many bourgeois observers. The left overproductionists go no deeper; they ignore both fictitious capital and the falling rate of profit tendency, fundamental concepts of any Marxist analysis. Overproduction crises have occurred regularly in capitalist history. Even Marxist theory recognizes that the system can recover and expand anew. If this crisis is

indeed far more serious, a deeper analysis is necessary.

In past crises, most of the left has put forward an underconsumptionist analysis. This says that crises are caused by workers being underpaid and therefore unable to buy enough commodities; its proponents advocate that capitalism avoid depression by raising working-class purchasing power. Marx mocked the idea that reducing profits in favor of wages could help capitalism, but the notion persists. Today the centrality of overproduction is so clear that underconsumptionism has had little play. But given the reformist wishes that permeate even the "revolutionary" left, its revival is certain.

### CAPITALISM NOT IN CRISIS?

Some academic Marxists have dismissed the notion that capitalism is in a serious crisis, arguing that the bourgeoisie has been winning the class struggle hands down and therefore can weather any financial difficulties. Doug Henwood writes in his newsletter *Left Business Observer* that "Lefties have often lusted after crises so passionately that they've even conjured up a few that turned out to be illusions." On the current crisis, he suggests:

**Maybe the estimable Anwar Shaikh, a Marxist economist at the New School, is right, and the long crisis that began in 1973 is over, and we're in the early stages of a long upwave of prosperity. Shaikh argues that that crisis was the result of a decline in corporate profitability from the late 1940's into the early 1980's, but thanks to the assault on labor that succeeded in cutting real wages, profitability**

**has been restored, and is now in an upswing — at least in the U.S. According to the laws of classical Marxism, that should mean higher growth rates, strong stock markets, and maybe even some gains for labor. (November 1997.)**

Sounds like a labor bureaucrat's wet dream: getting a little bit on the side for our team without having to confront the bosses. But Henwood and Shaikh's timing is all wrong: in recent years, even with nominal profit rates on the upswing, the bourgeoisie has been escalating its attack on the working class, wiping out welfare and immigrant workers' rights, breaking strikes, and going so far as to take on an aristocratic layer of workers in a union stronghold — the Detroit newspaper strikers. These are not signs of an upcoming wave of prosperity for all.

The breadth of the bosses' attack indicates that the ruling class has little in the way of sops to give; it is ripping apart all the traditional mechanisms and safety nets devised to imbue the masses with capitalist goals and prevent social unrest. The bourgeois onslaught that Henwood takes as proof that the system is not in crisis in reality shows that it is.

Capitalism will achieve another revival only the way it got the last one — by inflicting an all-out defeat on the working classes of major countries through racism, repression, fascism and world war. It is not ready to attempt all this now, but it is feeling its way toward a bone-crushing solution to its problems. It will be stopped only by a massive workers' fightback culminating in socialist revolution, not by pacifying notions that the worst of the attack is already over. ●

## On the Epoch of Capitalist Decay

*Last summer Proletarian Revolution received the following interesting and challenging letter from a reader. We did not have space to print it with a reply at the time, but by now events have made a discussion of the issues it raises all the more necessary.*

### Letter from Loren Goldner

I'm writing you because I have been wrestling with some problems of Marxist theory and you come to mind as among the few people I know capable of serious comment. I see very little serious attempt to raise the issues that follow in the "far-left" (for lack of a better term) press.

The issue is the meaning of the new Asian capitalism. It's a good time to get into it because the monetary crisis of the past few weeks may actually mark a turning point.

The question to me is how to fit the developments in Asia of the past 30 years into the perspective we inherit from the early Comintern of "the epoch of imperialist decay." For myself, I'm undecided, which is why I'm curious what you think, but I think that developments in South Korea, Taiwan, Singapore, Hong Kong and more recently China, Thailand and Indonesia pose serious problems for the theory. Let me state the problem as I see it.

Up to 1975, the theory looked pretty good. Capitalism had developed no new industrial power since 1914. (I was

curious that in your book on the Soviet Union you saw the industrialization of Russia as an achievement of the revolution; however weak and second-tier it was, pre-1914 Russia was an imperialist power too, with 20-30 years of rapid industrialization behind it. But let's not get off on that one.)

Let us say for purposes of argument that South Korea is over the hill, although I think that remains to be seen. Let us say that Thailand and Indonesia to date are little more than outsourcing sites for Japanese capital, and may soon hit the end of the road too, although that too remains to be seen. Nevertheless, when Asian industrialization outside of Japan over the last 30 years is taken as a whole, are you truly comfortable saying that there's nothing new there and that the Lenin-Trotsky theoretical legacy is still intact? Do you know any serious Marxist theorist of the 1960's/1970's who foresaw such a development, or who would not have denied its possibility under capitalism?

In PR 53 you published a long article on China which I frankly found very mediocre. Not that I don't take seriously its main assertion that China is threatened with social chaos from the great dislocations set in motion by the post-'78 "reforms." But I thought the article was petty in its refusal to recognize how much growth had already taken place.

Capitalism in no period of its history has ever been a pretty sight. But between 1914 and 1975 there had never been the kind of growth anywhere that has been seen recently in Asia, particularly in the last 20 years. China and some of the NIC's have been growing faster (in some cases, much faster) than the core capitalist countries did in their heyday. Does this square with "the epoch of imperialist decay," and if so, how? (I'm not being demagogic.)

### Letters Welcome

We invite readers of *Proletarian Revolution* to send letters to the magazine. Names will be withheld on request. Write us at: P.O. Box 3573, New York, NY 10008, USA.

Still, the PR piece was better than the Spartacist League's recent 4-part series on globalization, asserting with a few statistics that nothing much had changed since 1914. I'm sure you had your criticisms of that as well, but in some way I think we come from the same part of the universe. And the nub of the question for me is, unless I seriously misunderstood something about the Lenin-Trotsky perspective, was that as of 1914 *this kind of development in backward countries could only happen as a result of working-class revolution*. The SL is of course off the hook because they would say China became a "deformed workers' state" as a result of the Russian revolution. But you don't think that, and neither do I. So how to explain it? Or do you think there's nothing qualitatively new to explain?

The best way I see to "save" the theory of post-1914 decadence is to see the new Asian capitalism in a world context. Since 1975, capitalism has had one basic objective: to recompose itself after the end of the 1945-75 expansion by directly attacking the total social wage, above all of Western workers. It has done this by farming out mass production to parts of the Third World, by automation, and by a "slow crash landing" management of decay in the advanced sector. Today, a larger volume of total product, in absolute terms, is being produced for less outlay in the total social wage. To that extent, the new working classes in Asia are part of a "worldwide rationalization movement": as a certain part of variable capital disappears in the West, a smaller increment of it appears in Asia, with a higher net output. Hence, at bottom, it's a vast reshuffling of the old deck, to re-establish conditions for a new takeoff comparable to 1945-75, within a decadent framework, as '45-'75 already was.

That's the theory. But you have to admit that it's at best a hypothesis, and only time will tell. At any rate, these are my thoughts. I'd be interested in hearing yours.

July 30, 1997

### Reply by Walter Daum

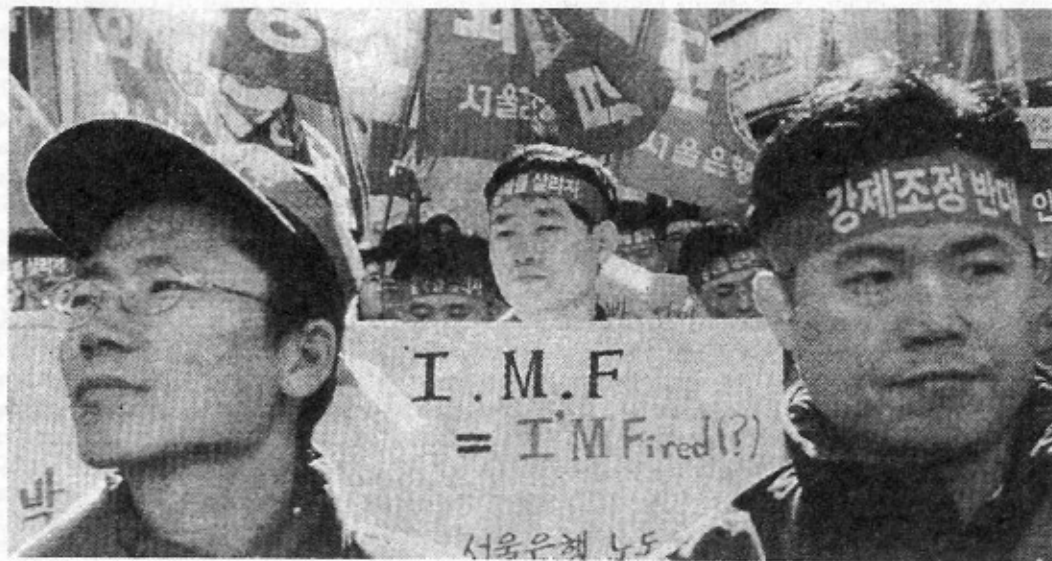
Comrade Goldner's broad question about the epoch of decay deserves a serious answer. The issue of whether history has found an end to the imperialist epoch — whether through the globalized economy, the fall of the Soviet Union, or the failure of the working class to act in revolutionary fashion — merits a careful assessment.

Marx, in a well known and concise summary of his views, noted that every form of society ends up in an epoch of decay in which "the material productive forces of society come into conflict with the existing relations of production." Thus, "from forms of development of the productive forces these relations turn into their fetters." Lenin developed the theme, specifying that the characteristics of capitalism's epoch of decay were economic monopoly, socialization of production and imperialist domination of the world.

Concretely, he argued that around the turn of the century, capitalism had ceased to be a progressive system.

Our book, *The Life and Death of Stalinism*, explains the theory of the epoch in full detail. It was best summed up by Trotsky in 1928:

**The explosive character of this new epoch, with its abrupt changes of the political flows and ebbs, with its constant spasmodic class struggle between fascism and communism, is lodged in the fact that the international capitalist system has already spent itself and is no longer capable of**



South Korean workers fight IMF austerity demands.

**progress as a whole. This does not mean to imply that individual branches of industry and individual countries are incapable of growing and will not grow any more, and even at an unprecedented tempo. Nevertheless, this development proceeds and will have to proceed to the detriment of the growth of other branches of industry and of other countries.** (*The Third International after Lenin.*)

The Asian expansion of recent decades is not the first challenge to the theory that capitalism has been in its epoch of decay throughout this century. The theory indeed "looked pretty good" through 1945, when the world suffered through two world wars, the great depression and the rise of fascist and Stalinist regimes. But the long post-war boom in the imperialist countries looked very different.

The boom would not have been possible without the historic defeat the working classes suffered in the World War II period, at the hands of the fascists, Stalinists and imperialist "democrats." The world's first workers' state was destroyed in the Soviet Union, Europe's strongest Communist Party was wiped out in Germany, proletarian revolution was smashed in Spain, and working-class upsurges with revolutionary potential were defeated after the war. The underlying cause of it all was Stalinism, the cancer within the Soviet workers' state and the once-revolutionary Communist Parties. It is impossible to understand the counterrevolutionary turn taken by the epoch without starting here.

Lenin and Trotsky did not expect such a boom, but Trotsky did anticipate the possibility. When Trotsky summarized the meaning of the epoch, he also suggested what might happen if proletarian revolution were held back or defeated:

**Theoretically, to be sure, even a new chapter of a general capitalist progress in the most powerful, ruling, and**

leading countries is not excluded. But for this, capitalism would first have to overcome barriers of a class as well as of an interstate character. It would have to strangle the proletarian revolution for a long time; it would have to enslave China completely, overthrow the Soviet republic, and so forth. We are still a long way removed from all this.

The epoch, after all, was one of counterrevolution as well as revolution. In 1928 such defeats as Trotsky described looked unlikely, but the 1930's, the "midnight of the century," witnessed all of them and more. The post-war boom was the resulting "new chapter" of capitalist progress.

### BOOM NOT A NEW EPOCH

That the boom represented no new epoch of prosperity became clear when it ended in the early 1970's. Bourgeois theorists again began to panic aloud at the threat of falling profits and a new depression. The enormous international debts owed by third-world, East European and even some imperialist countries confirmed the fictitious nature of much of the post-war prosperity.

As for the growth of the USSR, yes, Russia before the revolution was an imperialist power with an industrial base. But it was indeed second-tier, not in the same league as Germany, Britain, France and the U.S. The build-up of the 1920's and '30's turned it into a global power that defeated the German war machine and became the world's second strongest military power. We hold that this qualitative advance could not have happened without the workers' revolution and the economic centralization that this engendered, even though the last remnants of workers' rule were crushed in the 1930's. The Stalinist counterrevolution fed on the revolution's economic achievements at the same time that it smashed the vital element of revolutionary workers' consciousness. And the resulting system of stratified capitalism was hampered by the remnants of the workers' gains that it could not yet eliminate.

Today, after the implosion of the "socialist" regimes, the predominant view on both the right and the cynical far left remains that capitalism is not only triumphant but also unbeatable. Still, its decadence remains. As we wrote in our Political Resolution in 1995 (PR 48):

The supposed New World Order of U.S.-led stability after the "triumph of capitalism" now evokes only derisive laughter. The world economy has suffered several years of zero growth. The proletariat is now over half the world population, yet almost one-third of its members are jobless. The gap between rich and poor, between countries and within them, grows ever wider. In the United States, the world's richest country, two-thirds of working people live at or below the standard officially described as "necessary for health, efficiency, the nurture of children and participation in community activities."

International growth rates have risen above zero since then, but the description remains true: for the bulk of the world's peoples, capitalism provides a miserable existence. Decadence is a fully accurate term for the system as a whole.

Nevertheless, as the post-war boom came to an end, a handful of countries underwent the remarkable spurt of economic growth that Loren Goldner writes of. It was not just Asia. When profit and growth rates began to decline in the 1970's in major industrialized countries like the U.S., investment capital was drawn to the "Newly Industrializing Countries" (NIC's), the most often-mentioned examples of

which were Brazil, Mexico, South Korea and Taiwan.

Mexico, for example, achieved average growth rates of over 6 percent up to 1980; manufacturing grew by almost 8 percent annually from 1960 to 1980, and wages in manufacturing had reached one-third of U.S. levels. Then the first post-war debt crisis hit, and world capitalism's financiers forced the Mexican ruling class to surrender its "revolutionary" nationalist and populist policies and open the economy up to imperialism's "multinational" corporations. Growth collapsed, and the workers' living standards fell to less than 10 percent of U.S. levels.

Likewise, Brazil's output increased 8 times from 1950 to 1990. But here development has been notoriously uneven; vast wealth coinciding with some of the world's worst living standards, including widespread child labor and slavery-like working conditions. And under the Cardoso "neo-liberal"

## PROLETARIAN REVOLUTION Fund Appeal



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government in office since 1994, industrial jobs have declined by one-third and unemployment has increased by 40 percent.

### THE GROWTH OF THE ASIAN "TIGERS"

Thus only the Asian NIC's — the so-called tigers — seem to have brought "third-world" countries up to the level of the advanced economies. Output in Taiwan and South Korea increased more than 15 times from 1950 to 1990; South Korea's 12 percent annual growth rate in 1987 and 1988 was unequaled. Social indicators like literacy, infant mortality and life expectancy reached "first-world" rank in these two countries plus the city-states of Hong Kong and Singapore, something never achieved in Mexico and Brazil. How does this fit with the epoch of decay?

The "reshuffling" solution that Cde. Goldner proposes at the end of his letter is part of the answer. But we do not agree that the capitalists' effort to rationalize their system by shifting production from West to East will succeed in "re-establishing conditions for a new takeoff." Much more is needed for that, as we have often argued: the crushing of the world proletariat through fascism and war. Cde. Goldner concentrates on the economic plane, but the epoch is not merely one of economic decay. The political plane of revolution and counterrevolution has to be examined as well.

First of all, it was never part of the theory that imperialism was an absolute barrier to growth. As we understand Lenin, what he believed was that capitalism in this epoch could not advance in an all-around way: growth in one country or sector would come at the expense of progress in another. (This contrasts with the previous epoch of capitalist progressiveness, in which all countries where capitalist production predominated could advance.)

Lenin in fact expected the decline of the high-wage industrial powers relative to the colonies. He wrote in 1916:

**The export of capital affects and greatly accelerates the development of capitalism in those countries to which it is exported. While, therefore, the export of capital may tend to a certain extent to arrest development in the capital exporting countries, it can only do so by expanding and deepening the further development of capitalism throughout the world. (*Imperialism, the Highest Stage of Capitalism*, Chapter 4.)**

But as Cde. Goldner writes, from World War I to 1975 no colonial or ex-colonial country saw any major development of capitalist production at the expense of the wealthier countries. For this, Lenin himself bears a huge responsibility. After the Russian revolution, the imperialist powers became reluctant to risk major exportation of capital to the extent needed, lest the creation of a concentrated, powerful and militant proletariat endanger their property. Lenin's prediction above became in effect a self-unfulfilled prophecy. Only in the wake of Stalinism's decapitation of the international proletariat, and the long experience of containing working-class struggle that followed, were the imperialists willing to see heavy industry developed massively in the NIC's.

The most impressive NIC's, moreover, are very special cases. (We will leave aside Hong Kong and Singapore, which had been trading centers with relatively high per capita

incomes long before the NIC's took off.) At the front lines of the Cold War, Taiwan and South Korea received billions of dollars of American economic aid, especially during the Vietnam war. That is how the giant Korean firms, Daewoo and Hyundai, got their start.

### ROLE OF THE U.S. AND JAPAN

The U.S. also benevolently ignored Taiwan and South Korea's version of state capitalism: protected markets, government limits and control of foreign investment — while the World Bank and IMF were insisting that other "developing" countries open their economies wide for the benefit of imperialism. During the 1960's and '70's, the South



N.Y. Stock Exchange. Chinese President Jiang Zemin applauded by fellow capitalists.

Korean state had more control over investment and trade decisions than did some Stalinist governments, like Hungary's. Taiwan for a considerable period had a higher percentage of nationalized industry than did "Red" China. Just as selective protectionism had been critical in the 19th-century rise of capitalist powers like Germany and the U.S., so too it created a base for the front-line Asian NIC's.

One common factor that contributed to the economic takeoff and the enlarged role of the state was land reform. Taiwan and Korea had both been Japanese colonies through World War II, and the defeat of Japan undermined the power of the collaborationist landowners. In Taiwan as well, the Chinese Nationalists, having fled the mainland ahead of the conquering Communist armies, needed to eliminate the rival native landlord class.

Taiwan and South Korea also became the prime offshore sites for Japanese capitalists seeking cheap labor. For thirty years, Japan supplied technology, machinery and components to its former colonies, which in turn supplied the U.S. military and domestic markets. Korean firms specialized in efficient assembly techniques but remained financially and technologically dependent on the imperialists.

The cost of this arrangement was high. By 1980 South Korea became the world's third-largest debtor nation, after Mexico and Brazil, heavily dependent on Japanese financing. As well, the technology supplied was normally several years out of date, in order to prevent Korean firms from competing at the top end with Japanese and U.S. "allies." Despite its ability to compete in certain spheres, Korea's development has been severely distorted.

#### QUALITATIVE CHANGE?

In the late 1980's, with Vietnam and China no longer regarded as revolutionary dangers, Taiwan and South Korea no longer needed to be pampered by the U.S. to the same extent. The U.S. sought to repair its trade disadvantage, forcing "voluntary" export restraints, tariff reductions and currency revaluations on the two NIC's. This less hospitable economic climate is part of the reason for Korea's crisis today. And it also shows the qualitative limits to the advance of third-world countries: they were not allowed to reach the stage of economic independence. For all their growth in industrial production and living standards, they remain barred from the imperialist brotherhood. South Korea today is feeling the imperialist boot as it hasn't for years.

Is there something "qualitatively new"? In the case of Korean society, of course. It has changed in 30 years from agricultural to industrial. But in the sense of the epoch, no. For Lenin, the imperialist epoch separates the countries of the world into the imperialist powers and their victims. I believe there would be a qualitative change if "imperialized" nations could rise on the basis of their own capital out of that category. But that has not happened, despite the NICs' remarkable quantitative changes. Today's crackdown is proof.

While Korea and Taiwan have been kept in their subordinate place, one country in the post-war years has been pulled up through massive imperialist aid to a higher level of imperial partnership — Israel. It has a standard of living that is thoroughly Western, and has had it for longer than the Asian tigers. (Its oppression and superexploitation of Arab labor is also thoroughly Western.) Israel's expansion was similarly a byproduct of imperialism's need for a reliable border guard, tied militarily and socially to the West, especially the U.S. The West's role in the creation of this imperialist outpost, however, has been so obvious that no one thinks of it as a challenge to the theory of the epoch.

By the way, we don't agree with Cde. Goldner that we and the Spartacists "in some way ... come from the same part of the universe" on the epoch question. The Spartacists' "nothing new" line says this about the Asian NIC's:

**In fact, capital has always moved from one country to another, even before industrialization. Its extension to East and Southeast Asia was simply a third wave of industrialization, following on the Industrial Revolution in England beginning in the late 18th century and then spreading to Germany, the U.S. and Japan a century later. (*Workers Vanguard*, Oct. 31.)**

This idea of a third industrial revolution implies that it would be perfectly plausible for countries like South Korea, China and even Malaysia and Thailand to become imperialist powers like Britain, the U.S., Germany and Japan — in this epoch. That is "Trotskyism" from another planet!

#### DENG'S CHINA

China has a different history than the NIC's, having eliminated imperialist domination through revolution. The

landlords were wiped out and a degree of national unity was achieved under a Stalinist economic model. The surplus value formerly drained off by the imperialists was used to transform the country industrially. In 1952, industry produced about one-third of China's output; by the end of the Mao period in 1975, that proportion had been doubled. This growth was accompanied by typically Stalinist waste, falling productivity and neglect of the masses' living standards. Still, the "miracle" commonly attributed to Deng Xiaoping's opening the country to private capitalism and foreign investment was based on Maoism's state-controlled nationalist build-up.

Under Deng, China in some respects tried to follow the South Korean model, with a lag of decades. China's Communist Party adopted a doctrine of "neo-authoritarian" development, combining free enterprise with autocratic rule. For Marxists like ourselves who consider the economy of Mao's China to have been a statified capitalism based on exploitation of the proletariat, Deng's transformation towards an even rarer form of capitalism is no surprise. Indeed, we anticipated the limited devolution of the statified capitalist economies in the direction of private capitalism as early as the late 1970's. Traditional bourgeois tools like mass unemployment and rampant inflation were needed to raise the level of exploitation to world-class levels.

China's development is about the most uneven on earth. On the one hand there are nuclear weapons, along with vast improvements in diet, health care, sanitation and education. On the other hand there is a growing, glaring social and economic inequality (surpassing that of the U.S.), with Dickensian conditions for workers in the "special economic zones." After rural decollectivization, the largest section of the population in China consists of laborers on tiny individual family plots working without the benefits of mechanization.

Although we do not hail China's growth as a triumph of either proletarian power (as do some on the left) or of free market virtue (like capitalist boosters), our article in *PR 53* was hardly "petty." It recognized the economic advances

## REVOLUTIONARY HISTORY

Vol. 6, No. 4

### Blows Against the Empire: Trotskyism in Ceylon, 1935-1964

The Lanka Sama Samaja Party was an outstanding component of the world Trotskyist movement. It was a major force in the political scene of Ceylon (now Sri Lanka), led large and militant trade unions and strikes, and had at one point 12 members of parliament and one senator.

This book covers the history of the LSSP from its foundation to its expulsion from the Fourth International after it joined a coalition government.

Price (including postage): £9.95. Send checks or International Money Orders in Pounds Sterling, made payable to Socialist Platform, Ltd., BCM Box 7646, London WC1N 3XX, England.

made under both Mao and Deng, citing China's "rapidly growing economy, expanding at an average rate of 10 percent since 1978 and 12 percent in the '90's," along with the ambitions of "China's ruling class . . . to be the regional geopolitical power." But we also reasoned that such ambitions were ruled out by the operation of imperialism in this epoch, and that we stand by.

Nor is it true that the Spartacists and other "workers' statist" are off the hook because they can claim that China's growth derives from its proletarian character. The fastest growth rates came in the Deng years, when the attributes they think of as socialist were rapidly eroding. Theirs is a thoroughly deformed theory that still labels as workers' states those countries (China and Vietnam) whose role on the world market is to provide the most superexploited labor! (North Korea is an even worse example of a "workers' state"; it is suffering a severe famine and a crumbling economy and has had to go begging for foreign aid. Now, mimicking its ally China and the humiliations of the colonial past, it too is turning coastal cities into "special economic zones" to attract foreign capital.)

China's far-cheaper labor is now replacing that of South Korea and even Thailand. That is the real reason why the turn to open capitalism has been so heartily hailed by the Western bourgeoisie. Its impressive growth came at the

expense of a proletariat superexploited like few others, but with an increasing record of volatility and resistance. But just as the current tigers are now getting their come-uppance from imperialism, so too will China. It too will be reined in, not only when it poses a regional threat to imperialist domination, but by the profits crisis facing capitalism everywhere.

The phenomenon of the NIC's depended fundamentally on the residue of the post-war boom, along with the Cold War and the specific frontier role imperialism allotted to South Korea and Taiwan. With these factors now in the historical past, the tigers face a greater imperialist rapacity and growing imperialist rivalry. The 20-year expansion of China and the NIC's is no harbinger of a new takeoff; the crisis of 1997 forebodes deeper economic decline. We cannot say that additional backward countries will not have their days in the sun, but their winters will not be far behind.

We have often commented that the theory of permanent revolution is closely linked to the epoch question. We therefore think the lesson of permanent revolution remains: the bourgeoisie, whether nationalist or imperialist, cannot in this epoch achieve the promises of the bourgeois-democratic revolution: national independence and the unfettering of industrial and agricultural growth. The real advance of the superexploited countries will only happen as the result of proletarian revolution.●

## Heaven, Nature and WWP Hail Kim Jong Il

North Korea has largely disappeared from the headlines of the bourgeois media since the crisis broke out in South Korea. Even most of the "left" missed the opportunity to salute the succession to power of long-term ruler Kim Il Sung's son, Kim Jong Il. Not, however, the Workers World Party. Here is the heart of their account in the Oct. 23 issue of *Workers World*:

### We Celebrate the Election of Kim Jong Il

[The Workers Party of Korea has elected Kim Jong Il as its general secretary. On Oct. 10, the United Nations Mission of the Democratic People's Republic of Korea in New York held a reception to celebrate the occasion. . . . Deirdre Griswold, WWP National Committee member and editor of *Workers World* newspaper, made these remarks.]

We are here to celebrate an event of great significance for Korea and the world — the election of Kim Jong Il as general secretary of the Workers Party of Korea. We know that in the DPRK, there is much rejoicing among the people. In the long struggle to transform society and end the oppressions that have characterized this period in human history, the issue of leadership is all-important.

We have never really met Kim Jong Il, other than to merely shake his hand, but we know this about him: that he is willing to assume responsibility as the political leader in the DPRK at a time of great difficulties. That alone says much about his strength of character. . . .

So we know, therefore, how much thought and care the Workers Party puts into choosing the individuals who will represent the Party and the Korean people. We know that that same kind of thought and care went into the election of Comrade Kim Jong Il as general secretary, the supreme leader of the Party. . . .

So we join you in this moment of celebration with great

hope for the new period opening up, and much affection for the person you have chosen to represent and lead you.

**Long live socialist Korea! Long live the Workers Party!  
Long live Comrade Kim Jong Il!**

Toadying of this calibre, common in Stalin and Mao's days, is out of fashion today; one grows almost sentimental in its presence. In a world where traditional monarchies are almost obsolete, there is something touching about the dutiful reverence that aspiring court favorites bestow upon the Stalinist prince as he ascends to the royal throne.

Nevertheless, the *New York Times* (Oct. 9) more accurately captured the flavor of Kim's elevation — as seen through the eyes of the North Korean rulers themselves:

"On the morning of Sept. 22, fishermen of the fishery station in Rajin-Sonbong City caught a 10-centimeter long white sea cucumber while fishing on the waters off Chongjin," the official New Korea News Agency reported. "They said the rare white sea cucumber has come to hail the auspicious event of electing comrade Kim Jong Il as party general secretary."

"Seeing the mysterious natural phenomena," the agency continued, "Koreans say comrade Kim Jong Il is indeed the greatest of great men produced by Heaven and that flowers come into bloom to mark the great event."

The WWP no doubt did the best it could. But in today's world, where fundamentalism and religion have returned in all their glory, mundane idolatry is insufficient. You have to invoke not only flowering nature but Heaven above as well. What is mere rejoicing among the people, after all, compared to the moist adulation of sea cucumbers?

If *Workers World* truly wants to engage with Kim's regal posterior, it will have to update its act.●

# Revolutionary Strategy to Defend the Unions Government Out of the Teamsters!

by Evelyn Kaye

The federal government has made clear that it is the decisive power in the International Brotherhood of Teamsters, the largest union in the AFL-CIO. In November, after government authorities had decided to re-run the 1996 election for the IBT presidency, court-appointed monitor Kenneth Conboy tossed union president Ron Carey out of the contest. Carey is the immediate victim, but the ranks of labor will inevitably feel the boot of the state's intervention.

Carey is widely portrayed as the honest reformer who led the battle to cleanse the notoriously corrupt union of its mob ties. He is charged with diverting \$650,000 in union funds into his 1996 election campaign — mainly via an elaborate scheme implemented by his hired campaign consultants in cahoots with Citizen Action and other liberal reform outfits associated with the Democratic Party. Carey's "old guard" opponent is Jimmy Hoffa Jr., whose biggest achievement is that he is the son and namesake of Jimmy Hoffa Sr. who led the IBT when it was dominated by mobsters. Hoffa may also be knocked out of the race for violations of finance rules.

Despite his reputation, Carey surrendered control of the IBT to the feds without a fight. This should make any union loyalist, let alone a socialist, react with anger and scorn. Yet Carey's collaboration is accepted by many militants and even the phony revolutionaries who make up Carey's left chorus..

## AN ATTACK ON THE WORKING CLASS

The state's latest foray into the Teamsters opens the door for an even wider intervention. All the major union leaders associated with AFL-CIO President John Sweeney's "New Voice" team are under investigation in connection with the Teamster money laundering charges. There is no way to determine yet how many heads will wind up on the federal chopping block or how deep this immediate attack will penetrate into the house of labor.

The federal intrusion is an attack on the whole working class, not just a question of nailing a few labor bureaucrats. The IBT's successful United Parcel Service strike last summer was an instigating factor. *Business Week* magazine

pointed to the problem from the capitalist point of view:

For the first time in nearly two decades, the public sided with a union, even though its walkout caused major inconveniences. Polls showed the public supported the 185,000 striking UPS workers by a 2-to-1 margin over management. The message: After a six-year economic expansion that has created record corporate profits and vast wealth for investors, Americans are questioning why so many of their countrymen aren't getting a bigger piece of the pie.

The left has described the government hit on Carey as payback for a major working-class victory, but the truth is more complex. As we pointed out in *PR 55*, the UPS strike was a victory, although Carey and Co. settled for very little. Still, for the first time in nearly two decades, a union won something and even showed some evidence of sustained militancy, enough to awaken class-wide support.

Through its steadfast containment of militant mass action over the years, the labor bureaucracy has reinforced a widespread sense of powerlessness in the working class. But the bosses are acutely sensitive to any stirring. They know that keeping their profits up rests on deepening their wholesale attack on working-class living standards. They fear that even a small victory, even one led by a collaborator like Carey, could waken the sleeping giant.

Contrary to the left hype, the UPS strike and the government response do not show that the bosses feared Carey, the big militant. In fact, they nailed him precisely because they knew they could get away with it. Election Officer Barbara Zack Quindel, a liberal Clinton appointee, stated that she reached her decision to re-run the election during the UPS strike — but kept it quiet because she didn't want to interfere with the strike. Sure. In reality, when the workers were mobilized, the government held back; when Carey was alone, it attacked, knowing from his record that he would not rally the ranks to defend the union.

Clinton was already under pressure from right-wing Republicans to cripple Carey and his allies. Some wanted to destroy the union, others wanted simply to install Hoffa. The AFL-CIO tops' support for Dick Gephardt's quest for the



1199, the biggest health care workers' union in New York, solidarized with UPS strike.

Democratic presidential nomination — in opposition to Clinton's designated heir, Al Gore — also helped convince Slick Willie to OK dumping on Carey. As well, the financial manipulations charged to Carey and Co. are associated with the Democrats' other campaign funding scandals.

The last straw was the effort by Sweeney, Trumka, Carey et al against Clinton's "fast track" legislation. The capitalist establishment viewed fast track as a major weapon in its intra-imperialist competition and its ability to exploit workers across the globe. If the UPS strike agitated the ruling class, their defeat on fast track infuriated them. Clinton himself was humiliated. Although they relied on lobbying and avoided mass mobilizations of workers, the New Voice leaders' role was an unpleasant signal to the capitalists. Beneath even the weakest acts of a shrunken working class institution like the AFL-CIO, there is an enormous mass threat.

Thus the government's anti-Carey ruling was no conspiracy; it resulted simply from a class fear communicated via thousands of nerve cells to the bourgeoisie's office-holders. Labor has to be shown who's boss.

### THE MASTER FREIGHT AGREEMENT

The decapitation of the IBT has obviously had some demoralizing impact. The government intervention not only removed Carey but exacerbates the ongoing rivalry between reform and old guard blocs in this severely divided union. Thus we can say that the UPS spark has not gone out, but it has not yet ignited an explosion within the Teamsters or other unions.

An early settlement in the Master Freight Agreement, which covers all Teamsters in the trucking sector, was announced as we go to press, a few days before solidarity rallies were to occur in various cities. It came without the fanfare that accompanied the UPS struggle and settlement.

Full details are not yet available, and the membership is yet to be heard. Thus the full political impact of the deal can not yet be judged. Yet to this writer the available information suggests that this contract, while far from a smashing defeat, hardly lives up to even the UPS standard.

According to the *Wall Street Journal* (Feb. 10), the union settled for a \$750 bonus instead of a raise in the first year, while raises thereafter would be 35 cents per hour in each of four years. It is estimated that the wage-and-benefits increase comes to 2.5 percent a year, compared to about 3.7 percent for the UPS contract. Probably most important is that while pensions are improved, the unions' priority issue, job security, is not seriously addressed. According to *Newsday* (Feb. 10), the contract "requires the companies to first offer jobs to Teamsters laid off by any firm covered by the national agreement before hiring 'from the street.'" Thus the acceptance of layoffs, which has marked trucker contracts in the past two decades, continues.

The contract also makes no headway in restricting the use of non-union firms and offers only small change for poorly-paid casual workers. The union's press release of February 9 claimed "new protections against the use of non-union trucking subcontractors when freight is railed"; but the *Newsday* report said the contract only "limits the use of rail to the current 28 percent of freight mileage." And, in contrast to the Teamster statement, the *WSJ* reports that "the trucking firms also got some increased flexibility to use railroads to move freight." The *WSJ* sums up, "For the



companies, the settlement promises to continue a recent renaissance." Nevertheless, despite the recent upturn in freight profits, this is a shaky industry where real protection against layoffs is sorely needed.

We expect that this contract will be understood by most workers as a bearable offer under the circumstances but not an inspiration for further struggle. Of course, union publicists already say otherwise. They claim that the lack of a hard line by the trucking bosses, based on their fear of a strike because of the consequent loss of business to non-union firms, made the "victory" winnable without a strike. However, if the bosses were so afraid of a strike, why couldn't more be won? In part the answer is that "victory" without a strike was also the line of the "reform" wing of the bureaucracy, which promoted the notion of "reasonable," i.e. curtailed, demands all along, before and after Carey departed.

Thus the apparent absence of more serious givebacks can be attributed to the luck of specific circumstance rather than a fighting strategy that other union and non-union workers can look to adopt. In this regard, note that this contract was negotiated by a possible Carey successor and member of the 1996 Carey slate, Richard Nelson, an international Vice President and the head of the Freight Division. In fact, fear of a strike and consequent layoffs among Teamster truckers was utilized by the leadership to avoid serious preparatory mobilization for a struggle that could have been won more meaningful gains. This fear was in no small part due to lack of confidence in the Carey leadership, which had led the '94 strike to an unsatisfactory settlement.

Even though the Teamsters and the unions as a whole are no longer the symbol of power they once were, the work-

ing class still has the ability to shut the bosses' economy down! This power was hardly used by the bureaucrats, neither by Carey, Nelson or any other, in the run-up to the contract. Once again we see that what invites the attacks against labor is not that the unions are inherently weak; it is the proven weakness of the union misleaders. The bureaucrats accept the capitalist system and its voracious quest for profits and therefore fear to awaken the power of the working class, lest it get out of hand.

### PROFILES IN COURAGE?

The IBT leadership's failure to pose a militant fight in trucking was no surprise, in the light of Carey's last acts.

Instead of issuing a call to arms in reply to the charges against him, Carey not only reaffirmed the state's right to control the union's votes but approved the government's appointment of an "independent" auditor to run the union's financial affairs. The next day he deserted the presidency, taking a sudden leave of absence. He made no attempt to rally those forces in the IBT and beyond who had shown their willingness to fight back.

Sweeney's stance has been equally heroic. He backed the right of labor leaders to plead the Fifth Amendment against self-incrimination. He commented in *Business Week* (Dec. 1) that the scandal "certainly distracts from the momentum we got from the fast-track victory. We don't want this prolonged any longer than it has to be."

The same article also noted:

[Gerald] McEntee, president of the public employees union and a big Sweeney supporter, is cooperating with prosecutors. His indictment would be a big setback for Sweeney. Worse yet would be an indictment of Trumka, Sweeney's No. 2. [Judge] Conboy said Trumka may have helped Carey by authorizing a \$150,000 contribution to a liberal group. The Teamsters then donated that amount to the AFL-CIO, and Carey's campaign received some money back from the group. Trumka's lawyer denies he did anything wrong. But for weeks, AFL-CIO officials have quietly debated whether to pressure him to resign if he's indicted.

Carey's cowardly move, the ongoing "cooperation" of AFSCME president McEntee and other bureaucrats with the investigation, plus Trumka's taking the Fifth, all show that the "New Voice" is the same old whine in a new cask. The millions of dollars and votes they gave to Clinton and the Democrats won't help them. Once again, events have proven that the bankruptcy of leadership is the essential problem facing the working class.

Carey's lickspittle reaction to Washington's ban is particularly indecent given that the IBT is the union directly under attack. Decades ago, Robert Kennedy, who spearheaded Washington's attack on the union in the days of the Hoffa Sr., pointed out in his book *The Enemy Within*:

The Teamsters Union is the most powerful institution in this country — aside from the United States government itself. In many major metropolitan areas the Teamsters control all transportation. . . . They control the pickup and deliveries of milk, frozen meat, fresh fruit, department store merchandise, newspapers, railroad express, air freight, and of cargo to and from the sea docks. Quite literally your life — the life of every person in the United States is in the hand of Hoffa and his Teamsters . . . . As Mr. Hoffa operates it, this is a conspiracy of evil. Hoffa has too much power for one man.

The evil that so frightened Kennedy was not Hoffa's

longstanding ties to the mob but that the union had won a Master Freight Agreement which made real the threat of a national strike. At the time this would have tied up the country exactly as Bobby Kennedy laid out. Of course, Hoffa used his bureaucratic power to see that such a strike never occurred. But the mere possibility terrified the bourgeoisie.

The MFA no longer thoroughly dominates the trucking industry, large sections of which are now non-union. Nevertheless, the strategy of a militant strike by truckers, with the goal of spearheading a larger class action, could have had a powerful impact. A fight for demands that speak to the interests, not only of the affected Teamsters but of non-union truckers and all workers, union and non-union alike, could have brought out the entire working class in a general strike. Then Kennedy's nightmare would have become a reality.

### THE TDU AND "RANK AND FILISM"

The success of the latest government attack was assured by the bureaucracy's complicity. But the long-term opposition group, the Teamsters for a Democratic Union (TDU), whose supporters have claimed to control about 40 percent of Teamster locals, has also favored government intervention into the union — as means of gaining democracy! For example, TDU saluted government supervision of Teamster elections in 1991 and again in 1995. According to its paper *Convoy Dispatch* (January 1996):

**This was the most democratic election in the history of our union. It was conducted by mail ballot voting. The ballots were safe with layers of security. The whole process was supervised by the staff of the Court-appointed Election Officer who slapped both sides several times during the election with protest decisions.**

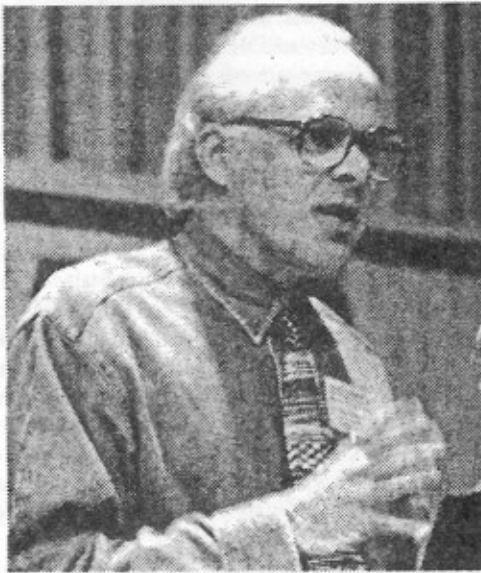
In the years before the old guard was forced to sign a consent decree giving the government broad sweeping powers over Teamster elections and other matters, the TDU was already taking the union to court and calling for state intervention as a matter of course. TDU also accepted the consent decree. (See "Teamster Rank and Filism: A Bogus Victory," in *PR* 41.)

A new Solidarity pamphlet, written by one of TDU's co-founders, Dan LaBotz, brags:

**TDU's first major victory in protecting Teamster rights to democratic procedures in bargaining occurred in 1984. General President Presser and UPS secretly bargained a contract and printed ratification ballots. TDU found out and blocked this illegal contract in federal court. In 1987 TDU won the right to an informed contract vote. A federal judge ordered the International to turn over to TDU the tentative agreement so that TDU could inform members of its contracts. . . . In 1988, in separate legal actions, TDU and Ron Carey challenged the two-thirds rule in federal courts. . . . In 1989 TDU successfully fought to include the members' Right to Vote as part of the Consent Decree settling the government's racketeering suit against the International. (*The Future of the "New Labor Movement."*)**

How does control by the bosses' government jibe with workers' democracy? This might seem too obvious a question. The TDU's answer is to deny that they rely on the state intervention — at the same time that they insist on bringing it about! In fact, it is leftists who have labored to produce rationalizations for this practice. LaBotz commented in his previous book, *Rank-and-File Rebellion*:

**Obviously there are dangers in government involvement in unions, as TDU's leaders are among the first to acknow-**



*Kim Moody and Ken Paff: court socialists for not-so-left bureaucrats.*



ledge . . . . For almost fifty years the Democrats and the Republicans have attempted to subordinate the Teamster union to their political agenda and have largely succeeded in doing so . . . .

However, he then goes on to cite approvingly the pro-government views of TDU National Organizer and Solidarity supporter Ken Paff:

**Until the union is fully democratic and the rights of individual members are completely respected, says Ken Paff, TDU will find it necessary to continue to seek government intervention. "We don't rely on the government or the law. We use the government and the laws, and we rely on the rank and file." The RICO suit has clearly demonstrated that the government is not monolithic and that Teamster reformers can win significant reforms by taking advantage of the openings that present themselves.**

(RICO refers to the Racketeer Influenced and Corrupt Organization Act, which was used to force the old guard to agree to the consent decree or face jail time.)

Paff thinks he and the TDU used the government. Now that the state has decided who the real boss is in the IBT, we ask LaBotz and Paff: who's using whom?

Even after Carey was knocked out, Paff called for continued government intervention:

**Let's hope that they do the same kind of investigation, from congressional committees to the FBI on Hoffa that has been done on Carey. (*The Militant*, Dec. 8.)**

Because of TDU's ties to the bourgeois state, we have argued that the TDU should not be built by militants, much less by revolutionary workers. Its reformist program can only cripple union democracy and undermine the class struggle strategy that our class needs.

#### **THE LEFT AND THE TDU**

The far left is small in numbers but has played a decisive role in building "rank and file caucuses" in a variety of key unions. The support provided by these groupings proved indispensable for important elements of the bureaucracy: without the TDU, for example, Carey could not have won the IBT leadership in the first place. Through this alliance they have helped dampen any possibility for united mass action that goes beyond what Carey & Co. would favor. In particular, they reject fighting for a general strike against the capitalist attacks as beyond the "practical."

Although pseudo-Trotskyist organizations in particular have always played an important role within the TDU, the situation is veiled because the groups believe in concealing their purportedly revolutionary beliefs from their co-workers. Instead they present themselves as ardent reform unionists. This behavior derives, not mainly from the need to protect themselves from a repressive labor bureaucracy or government, but rather from the assumption that socialism isn't relevant to other workers in the here and now — it's just a noble ideal for some day in the future. And since reforming the trade unions is the task for today, revolutionary conceptions can be submerged in day-to-day union work.

Nevertheless, the left outfits do attract workers who are looking for an alternative to the bureaucracy. We in the LRP address our propaganda today to revolutionary minded workers, including the cadres drawn to these organizations, in an effort to convince them that a decisive break with their present strategy is necessary.

A split within the former International Socialists took place in 1977 over the question of whether socialists should continue to adhere to rank and fileism. The alternative was to ally with bureaucrats who put forward positions similar to those of the rank and file groups. Those who formed the International Socialist Organization (ISO) argued for adherence to the old rank and fileism, while those who remained in the I.S. and later formed the Solidarity organization argued for the shift toward the more militant-sounding wing of the bureaucracy.

As we pointed out at the time (in *Socialist Voice* No. 5), "rank and file" groups having basically similar programs as more established union figures would inevitably be drawn into their wake whether they liked it or not. And so it happened with Solidarity and Carey.

Today, Solidarity supporters are involved in *Labor Notes* magazine, which serves as the overall voice for varied rank and file groups. Solidarity is also the main far left group inside the TDU. However, many others on the left have done their bit to rally workers to support the TDU. Some issue occasional criticisms of Carey along with their overall support, in order to avoid total subservience. Others are Carey press agents pure and simple. (See p. 28.)

Whatever excuses they've made in the past, the left Careytes' refusal to repudiate state intervention *now* is even more stunning, since the inevitable consequence has already

occurred. So is their reticence to deal with his ties to the capitalist Democrats.

It matters little that a few voices in the left of the TDU try to hold on to some vestige of revolutionary claims by citing the traditional Marxist understanding of the capitalist state in their analytical journals and internal meetings. They nevertheless refuse to break with the TDU, which has been wedded to state intervention and the pro-capitalist bureaucracy for years.

### THE TDU AND CAREY

The TDU itself would be wholly hypocritical if it took up the cause of opposing government intervention against Carey — because it continues to cry *for* intervention against Hoffa. But fear of hypocrisy is not the reason the TDU didn't raise a call for mass mobilization to defend Carey. TDU has tied itself to the tails of "progressive" bureaucrats like Carey, and such a challenge would lead to a political rupture. If the TDU posed a real fight over the right of the state to intervene — not just a legal challenge over Carey's guilt or innocence — it would mean a confrontation with Carey, who has made it clear he wants no such fight. It would mean that TDU would have to reverse its own past policies. And it would mean a delay in the "practical" work of rallying workers behind the next reformist candidate.

No surprise then that Carey was applauded vociferously at the TDU convention in November — even though he made clear that he was relying on the courts and didn't favor any mass action in his defense. As he told TDU, "the outcome of my appeal will be in the hands of judges and lawyers, and no one in this room can predict what will happen." (*Socialist Action*, December 1997.)

Diane Feeley of Solidarity disparaged leftists who circulated a petition around the convention floor asking Carey to lead a fightback. As Feeley put it in *International Viewpoint* (via internet, Dec. 16):

In a sense Carey freed TDU when he stated that his fate is in the hands of judges, while the future was up to them. ... The convention passed two resolutions. One, in solidarity with Carey and in support of the direction in which he led the union over the past six years. Two, in the event that Carey steps aside as the candidate, the convention directs the TDU leadership to work with other reformers to support another reformer. ...

At the convention some leftists proposed organizing a defense committee for Carey and picketing in front of the courthouse. They pointed to the right-wing attacks against Carey as proof of a ruling-class offensive and called for opposition to "government intervention" in the union, ignoring the reality that there would have been no election of top officers in that case.

But the leftists who wanted Carey to lead a fightback didn't force a challenge in any serious way. And Feeley gives them too much credit, since they didn't actually demand a rejection of the policy of support for government intervention altogether. Rather the petition stated:

Our rights as Teamster members are what are really under attack by the government's decision to void the election and to rule you off the ballot. We call on you, Brother Carey, as our General President, to continue to lead us in defending our rights as Teamster members to nominate and elect the leaders of our choice. This petition is to let you know that we are ready to join with you in a fight to overturn the government's unjust decision.

No thought of uniting with Hoffa supporters, even though *their* rights as Teamsters are also under government attack! And a continuing cover-up of Carey, who cannot "continue" to lead a fight that he has never led. The near-complete kowtowing to Carey at the TDU convention revealed the sham in TDU's claim to rely on the ranks.

### THE REAL CAREY

The TDU has in fact been covering for Carey for years, including supporting his anti-democratic measures under the guise of democracy. In addition to backing the consent decree and government control of Teamster elections, TDU defended Carey's imposition of over 70 trusteeships, many under recommendation of the government's Internal Review Board (IRB) set up by the consent decree — under the excuse that the trusteeships would be way-stations to democracy. But instead of raising workers' consciousness, sense of power and ability to control their own destiny, trusteeships do the opposite, and should be opposed.

A number of Carey's takeovers have been exposed as anti-democratic frauds through and through. For the real



Detroit campaign rally for Carey. Sellout of newspaper strike was covered up by his supporters.

flavor of Carey's moves, it is worth quoting from a recent article in a New York paper by labor analyst Bob Fitch:

In the last election, of the five Teamster regions, the East and the Midwest provided over 300,000 of the 460,000 votes. The old guard Hoffa forces controlled the Midwest. Carey needed the Eastern old guard as an electoral counterweight. Above all, he had to win over the forces in Joint Council 16, in New York and New Jersey — the union's largest and perhaps most corrupt council, which had backed his 1991 opponent, Walter Shea. Former Shea supporter Joe Patellar received several New York-New Jersey-area trusteeships after Carey was elected in 1991. The trusteeships in New York City — there were 19 in all — form the graveyard of Carey's reputation as a corruption fighter. The real heroes of union democracy, working Teamsters like Anthony Veltry and Teddy Katsaros, were buried alive. (*Village Voice*, Dec. 2, 1997.)

The article goes on to quote New York ex-TDU leader Katsaros in substantiation of Fitch's allegations. Fitch's exposé was hailed by a former TDU activist, Mark Rembe, who wrote in a letter to the *Voice* (Dec. 23):



Finally an article from a progressive point of view that doesn't treat Ron Carey as if he's the best thing the labor movement has seen since Joe Hill. ... As a former shop steward in Local 810 (and a member of Teamsters for a Democratic Union), I witnessed the pathetic Carey appointments referred to by Fitch. ... In hindsight, the trusteeship was just a smoke screen: bread and circuses for the rank and file. Nothing fundamentally changed. It will take a lot more than a single middle-of-the-road reformer backed by a misguided reform group like the TDU to mobilize the union membership and take the Teamsters forward.

Note that the ever-"practical" TDU not only covered up Carey's anti-democratic measures but also his continued alliance with conservative hacks. He pursued this alliance despite his much praised shift away from the old guard after they scabbed on the 24-hour UPS strike Carey called in 1990. An earlier article in the *Voice* by Fitch (Dec. 31, 1996) analyzed his 1996 electoral victory:

One way Carey offset local warlord clout was by cutting deals. He offered vice-presidential slots to key local leaders in the East, and won big there. And Carey stopped some from joining up with the Old Guard by threatening to take over their unions by trusteeship. Take Carl Haynes, the African-American head of New York City's Local 237. He leads the largest Teamster local in the East. Haynes inherited the top job of the 25,000 member security guard union when Barry Feinstein was forced to step down from this historically corrupt local. Haynes, not much of a reformer, didn't change things much. His lack of reform-mindedness was demonstrated by his reaction to the plan to introduce 130,000 welfare recipients into the city workforce, undoubtedly at the expense of his membership. Haynes' voice in the debate over this plan has hovered just above a whisper. With 237 showing its old-guard tendencies, Carey chose to be pragmatic. Instead of trusteeing the union, he put Haynes on his ticket. Haynes is now the only African American vice president in the Teamsters, and 237 delivered more votes to Carey than any other local in America.

The proof is always in practice. The practical realism of the TDU and its left components has once again proved to be only *realpolitik*.

#### CAREY VS. UNION MILITANCY

Nationally, in two government-supervised elections, Carey won only narrowly. The votes of thousands of truckers and other workers who belong to some of the locals still dominated by old guard warlords were in effect controlled for Hoffa Jr. But many such votes were freely given. And despite governmental "protection," only a minority of Teamsters bothered to actually vote.

Why such a lack of support for reform and democracy? One reason is that the working class understandably maintains a large measure of disbelief in all politicians, including labor bureaucrats, and their promises. As well, some workers went for Hoffa Jr. for quite practical reasons. Why not elect a tough s.o.b. of our own, since there is no alternative we can really trust? Hoffa Sr. might have been a crook, but he delivered; maybe his kid will too. After all, Carey and the clean reformer types haven't brought much meat and potatoes.

TDU has not only covered up Carey's not-so-democratic (and Democratic) practices, but his not-so-militant practice too. For all their criticism of Carey's reliance on consultants, the left choristers miss the main point. Carey knew he was in

trouble in the last election because, until the UPS strike, he hadn't delivered the kind of contracts members wanted. In the pivotal Detroit newspaper strike, far from playing a progressive role, he had stabbed it in the back. That's why Carey needed to get votes via bourgeois means, just like his buddies in the Democratic Party. He couldn't call on the ranks to mobilize because he had no fighting record or program to stand on.

Contrary to the elitist dreams of do-good reformers, workers fight for concrete gains to meet material interests, not simply for abstract democracy. Through such struggles, they do become aware of the need to control the course of battle and, thereby, become the best champions of proletarian democracy. The quest for democracy is a by-blow, not an end in itself. Unable to lead such a real fight, Carey and the TDU had no other choice but to rely upon modern witch-doctors — and the state — and take the consequences.

#### CAREY, TDU AND FREIGHT

Had he not been barred, after the UPS victory it would have been much easier for Carey to beat Hoffa, because he was now associated with a genuine gain, not just reform rhetoric. The TDU, which had supported Carey's 1994 contract, knew that his record was a big reason members weren't so wild about the pre-UPS Carey. As *Socialist Action* noted in October 1995:

The freight industry is a maelstrom of mergers and closings, with firings and forced relocations taking a heavy toll on what once was the core of the Teamster membership. ... Despite his militant leadership of the 24-day national freight strike in 1994, which ended with a settlement ratified by a 81 percent margin, the decline is continuing on Carey's watch, so he's sure to pay a political price. ... In 1996, a united opposition that benefits from an anxious, anti-incumbent mood could close the gap and topple Carey's slate.

Some leftists understood that Carey's problem was his inability to satisfy members' economic needs. Of course, rather than identifying with the ranks' dissatisfaction and using the opportunity to point out the inadequacy of Carey's reformism, they went on to blame the Hoffa forces for taking advantage of the discontent.

In reality Carey's leadership of the 1994 freight strike was hardly militant, and the contract was shameful. While the bosses' drive for part-time labor was restrained, Carey pushed significant concessions that had a comparably weakening effect on the union. This included an increase in the differential between new hires and higher seniority workers; a wage freeze for about 8000 "casual" (temporary) workers, also paid on a lower tier; an increase in subcontracting to non-union rail shippers; and the surrender of the right to strike over grievances in favor of binding arbitration. As well, the settlement came as a result of Carey's call for government mediation. The alternative, fighting against the isolation the strike was suffering (both because of the sabotage of the old guard and the lack of support of the AFL-CIO), was never posed by Carey or the TDU.

TDU's inability to offer an alternative in freight had a long history even before Carey. This is revealed inadvertently in LaBotz's *Rank and File Rebellion*. The book catalogs how deregulation and depression hit the freight industry in the early 80's; it also details the TDU's defeatist response in the decisive struggles in freight, when management imposed an MFA laden with union givebacks for the first time.

TDU argued that, given the depression and deregulation, some companies were bound to go out of business. "There is little the union can do to stop this from happening," argued TDU in the pages of *Convoy Dispatch*. "But the union can work to negotiate a job security clause in our contracts that make sure that the Teamsters whose companies go out of business are hired in seniority order by those large union carriers that will continue to grow in years ahead."

Instead of posing a fight against all layoffs, TDU sent out the message that layoffs would occur even under their strategy of opposing concessions. This attitude underlay the different approaches to UPS and Trucking Management Inc. in the latest rounds. Striking against a company with fat on its bones is one thing. Taking on the trucking bosses in a serious strike was another. Yet most workers face situations closer to the freight scenario than to UPS. The economic fragility of the trucking industry, despite its momentary uptick, and the ever growing threat of non-union competition, could have made it a far more decisive struggle in showing how labor could move forward.

TDU's position was to be prepared but to agree with the bureaucracy's idea of avoiding a strike if possible.

**The employers are desperate to avoid a strike. They want to bargain early and settle early. We don't want to strike either, but we can be prepared and use the employers' concern to our advantage. The employers are asking to get a tentative agreement by January. Let's let them know the only way that will happen is if they meet reasonable union proposals and forget about any takeaways. (*Convoy Dispatch*, April/May 1997.)**

*Convoy* suggested "reasonable" and vague proposals. No mention of ending the pay differential to casual labor; rather it said "we need to bring up the substandard casual wage." No concrete proposals for serious job protection.

The TDU line of raising only vague proposals obviously reflected the need to prepare to conciliate to the Carey slate as in 1994. TDU miseducated its followers by pretending that a serious strike strategy was not necessary to win meaningful job security and stop other concessions.

If there is no way to fight for the needs of workers for job security in industries like freight, then there is no way that the AFL-CIO or the IBT can organize the masses of non-union workers or defend the interests of its present membership. If union workers face the same or more threats of layoffs than do non-union workers, then a major ingredient for winning workers to unions is clearly missing. As long as the union strategy of accepting layoffs and limiting demands to what bosses can "afford" is not challenged, the unions will be unable to make serious gains. Over and again Sweeney, Trumka, Carey, the TDU and the court socialists have openly acknowledged in word and deed that they will not challenge this strategy. You can be even more sure that the bourgeois state, now deeply embedded within the unions, will try to see that the lid remains on.

#### THE COMING TEAMSTER ELECTION

All the gnashing of teeth over Carey's imperfections covers the fact that the TDU leftists are re-examining nothing and just going ahead in the hope of accepting what they hope will be a white-knight anti-Hoffa candidate in the new government-controlled election. They are certainly not demanding that their candidate adhere to the TDU program, any more than they did with Carey.

In relation to the upcoming elections, Paff argued in his TDU convention speech:

**Our union is headed in a new direction, toward rank and file power. It's not perfect, it's not always going in a straight line and we've seen some bad deviations, but it's headed in a new direction and labor with it. And Hoffa would reverse that direction.**

Yes, a Hoffaite victory would be a setback for the union. Tragically, the TDU's bloc with Carey's reformist successor, based on little more than an anti-Hoffa stance, wouldn't be any better. The cooperation with the government is one indication of this.

The crowning touch bestowed by the rank and filist TDU leadership on the selection of the "rank and file's" new presidential candidate is to leave it up to a decision by the bureaucrats rather than the ranks.

**TDU's 15-member steering committee will vote on which candidate to support, but the group's national coordinator, Ken Paff, said he expected the contenders to try to reach a decision amongst themselves about who will run. (*Los Angeles Times*, Nov. 23.)**

The ranks got to cheer for Carey at the convention but not to discuss whom to support next.

#### THE RANK AND FILIST METHOD

The TDU is considered the model opposition within the labor movement in this country. It boasts a 10-point Program for a Democratic Union, but is mainly dedicated to cleaning out corruption as the first step to establishing rank-and-file democracy. It has had this central theme for its 22 years.

For revolutionaries, the main enemy of the working class is the capitalist class and its state power. The TDU "socialists" may privately acknowledge the state and the capitalists as the enemy, but this is buried when they address working-class militants. Then the big enemy is the mob. But no one can argue that the key turning points in the decay of the American unions were the acts of mobsters.

The reformist bureaucrats, mainly through their friends in the Democratic Party, have drawn the bourgeois state more and more into the unions. The bureaucracy capitulated to the state during the Cold War, scabbed on major wildcat strikes in the early 1970's and swallowed a wagonload of boss-dictated concessions ever since. The surrender was capped by the AFL-CIO's refusal to defend PATCO from Reagan's smashing in 1981.

Of course the gangsters must be fought — but not by allying with the greater danger, the bosses' state, which now accords itself the right to determine workers' leaders.

Instead of "saying what is," instead of fighting openly for working class politics, the court socialists within the TDU argue that "democracy is power." They claim that if democracy is allowed to flower in the unions, it will translate into militant struggle, which will then turn into revolutionary action.

This stagist method is something our tendency has fought against since our struggle against the TDU leftists in the 1970's. Thus it can lead only to opportunism. That is because stagism means not only the recognition that stages of development exist in the overall class struggle; it means politically advocating limited struggles and programs based on a preconceived, elitist idea of what the working class is ready to hear or understand.

For the stagists in the TDU, their original Marxist identification with the objective needs of the ranks inevitably

## Marxism and the Capitalist State

The fundamental difference between reformists and revolutionaries stands out in bold relief when looking at the capitalist state. Revolutionaries understand that this state is exclusively a weapon of the bosses. Whether or not it is forced to allow democracy is important, but this does not determine the nature of the state. Underneath, it is always a bourgeois class dictatorship. Democracy goes out the window when bourgeois state power is challenged.

The essence of the capitalist state is the police force and army as well as prisons and other institutions of coercion that maintain the system of private property and labor exploitation on behalf of the capitalist class. As Lenin put it, "the state is the manifestation of the irreconcilability of class antagonisms."

The capitalist state exists not only to protect the rule of the capitalists from the exploited and oppressed classes. In this epoch of capitalist decay, it also serves as the main agent of increasing exploitation, oppression, racism, poverty and imperialist war.

The only solution is for the working class to overthrow the capitalist state through revolution and replace it with a workers' state on the road to socialism. In contrast, the reformist strategy is to use the working class to reform and thereby preserve the capitalist state.

From this understanding comes our hostility to capitalist police power. We oppose the imperialist army abroad, even when it intervenes in "humanitarian" guise. We oppose the cops, even when they claim to be protecting us from crime, as the biggest criminals of all. We oppose all government intervention in the unions, even when "fighting corruption."

Opposition to state intervention into the unions is not an abstract moral principle handed down from on high. It is a Marxist principle derived from the experience of the

working class: only the independent working class, organized on a consciously anti-capitalist basis, can end the misery of humanity under capitalism. In particular, the history of U.S. labor shows that every act of government intervention has in fact weakened the fighting ability of the working class.

While revolutionaries not only support but often advocate struggles for reforms, our point in so doing is to build class confidence, class consciousness and class independence. This lays the basis for the fight to build the revolutionary party of the working class and to advance the class's struggle for power against the capitalist state.

Reformists, including the labor bureaucracy and organizations like the TDU, are not satisfied with the current policies of the capitalist state and its parties; their goal is to change the state into one more friendly to workers and the oppressed. In order to maintain such hopes, they cling to the argument that this state and system can be pressured into bending to the will of the working class. As opposed to revolutionaries, reformists believe that there are good government interventions and bad ones.

Thus when the state intervened in the Teamsters Union under the guise of kicking out the mobsters, we wrote, "Whatever the immediate pretext, the state is motivated to intervene in the unions in order to protect and extend capitalist control over labor." Many others, including the TDU, simply cheered the government-run elections and Carey's "victory" in 1991. But we warned:

**Count on the state in the future to perform a more openly oppressive role in the Teamsters. The reformist opposition's reliance on it has set a dangerous precedent and miseducated the members about what to expect from the general staff of the ruling class. (PR 41.)**

These chickens have now come home to roost.

turned into an opportunist adaptation to the current level of consciousness — which in turn is defined by capitalist "reality." In the early 1970's, the bureaucracy acted to keep strikes divided factory by factory, through guerrilla "apache tactics," instead of centralizing and uniting the struggles. Over the years, their misleadership convinced a once self-confident working class that it is toothless and has to give back its past gains. Adapting to each "stage," the court socialists over time drop their demands to what seems possible as decided by the bureaucracy, fooling themselves into thinking that they are only being in tune with the workers.

### RANK AND FILISM, THEN AND NOW

The phrase "rank and filism" once was associated with fighters. The TDU itself was originally formed by ardent militants, socialist and non-socialist alike. It included many who had defied the bureaucracy as well as the state in wildcat strikes. Groups like Solidarity once argued that trade union militancy was the level of consciousness of workers and therefore should be the level of consciousness advocated by socialists at that stage. But as the entrenched labor bureaucracy, including the progressive wing, successfully bulldozed the ranks, the leftists marched backward as well.

Thus TDU de-emphasized the militant stage in favor of

a stress on democracy, in the effort to make contact with what it understands to be the level of consciousness of the ranks. The argument for democracy as a necessary stage to militancy became routine, and with it, the evident need to ally the TDU with the democratic reform bureaucrats. Rank and filism turned into an effort to tail the recognized power of well-known "left" bureaucrats who already had a base of support. This is the "practical" approach that allowed Carey, the best candidate who could win (in their minds), to become a necessary stage to the full program of democracy of the TDU — which of course Carey himself didn't adhere to.

It then became necessary to advocate contracts — like the 1994 MFA — that the most militant workers already objected to. It further became necessary to continue to advocate government intervention, even when militants were ripe for rejecting the idea once and for all. In sum, starting out from the notion that they were simply echoing the beliefs of their fellow workers in order to bring the ranks forward one step at a time, the TDU ended up as a barrier to the consciousness of workers — whose own experience was leading them to question and reject TDU's reformist practice.

The TDU doesn't recognize that it has become part of the problem and not its solution.

The difference between communists and centrists is not

over *whether* to work in the trade unions but over *how* to do it. Centrists see reformism as a partial movement forward, a limited form of progressive politics that just doesn't go far enough. Therefore they see no reason not to simply echo reform consciousness, which they attribute to their fellow workers. They have no qualms about confining their union work to a reformist outfit like TDU and becoming indistinguishable from it, for all intents and purposes.

Communists recognize reformism as counterrevolutionary and fight it as such. We participate with reform leaders in joint actions all the time, even for limited demands. And of course we unite in struggle with our fellow workers, most of whom are not revolutionary. But in all such activity, communists attempt to prove throughout the struggle that the reformist leadership, because of its belief in capitalism, will not fight for the workers' needs when these come into sharp conflict with the capitalist profit drive — as they are doing today. We try to separate the ranks from the leadership by demonstrating the material difference in objective interests between the working class and the middle-class labor brokers that domesticate the unions today. To accomplish its task of guiding fellow workers through the lessons of our common struggles, it is critical that the communist voice not be confused with the organs of reformist groups, thereby inevitably blending in with the reformist misleaders.

#### REVOLUTIONARY STRATEGY

After Carey was disqualified, the TDU did not make government intervention or the need for a battle over the MFA into issues in the upcoming election. It refused to talk about the militant mass action that would be necessary to wage a real battle for job security. In addition to raising popular demands as in UPS — like no "casual" work and no two-tier wage schedules that divide workers and undercut all wages — it would have meant including demands that are not considered "practical": no layoffs, union rates and unionization for all truckers, and jobs for all. This is the way to forge the unity of union and non-union truckers and win union representation — now, not in the bye-and-bye.

It is objectively true that only such radical mass action can defend the unions and win gains. The LRP has pushed for years the idea of a general strike, not confined to already

unionized workers. The general strike will make sense to more and more workers as they are compelled to fight back. Action is the mother of consciousness. An incredibly powerful display of working-class strength which brings profits to a halt across the country will produce an understanding of the need to confront the state and a recognition that the united working class can successfully do so.

When PATCO was attacked in 1981, AFL-CIO chief Lane Kirkland admitted that he had never received as many telegrams from workers as he did then asking for a general strike. (See *Socialist Voice* No. 15.) He laughed them off and was able to divert the budding sentiment. Today, a lot of workers, including leftists, already realize that nothing short of mass action like a general strike can stop the attacks on unions and workers in general. But many advanced workers, far better intentioned than Kirkland, still think it is "unrealistic." Nothing is built in a day; however, the turn must be made and it can only occur by initiating the open fight for such a mass action and classwide political strategy now. If advanced revolutionary-minded workers keep saying that workers must accept the limits of capitalist profit-making; if worker militants keep acting as if no mass militant action is realistic — then who can blame ordinary workers for not engaging in mass action? Who can blame them for rejecting socialism as utopian, if socialists themselves do?

A turn away from rank and file must be made by advanced workers now, before the already rampant demoralization within the class and the government stranglehold on the unions becomes even deeper. Through joint struggles, revolutionaries can begin to convince fellow workers of the absolute necessity for our class to build its party for socialist revolution. Not only union busting but cuts to wages, job conditions and social services, anti-immigrant legislation, slave-labor "workfare" schemes, vicious police brutality and mounting racist attacks on Black and Latino people are ravaging the working class.

Working classes in other countries are re-launching their mass struggles. The American working class will inevitably enter the struggle. In the course of fighting the immediate battles, the advanced workers must seize the chance to build their revolutionary party as the leadership necessary for our class to achieve victory. ●

## Squeals from Carey's Left Chorus

Despite their agreement that there was nothing fundamentally wrong with their bloc with Carey, Carey's left admirers have been squabbling over what to do, and not do, now.

At the TDU convention, Ken Paff labeled Carey's reliance on consultants a "monumental blunder." He warned:

**Brothers and sisters, if you are going to take on corporate America, if you are going to win major strikes, if you are going to start turning the labor movement around, you better make sure you are not vulnerable.**

In other words: Carey was innocent, but since he was a big militant and therefore a likely target of a government frame-up, he should have known he needed to be more than innocent: he needed to be squeaky clean.

Paff held back from really blaming Carey for anything. However, in *Labor Notes* (January 1998), Solidarity supporter Kim Moody, the political eminence behind the paper, went a bit further. He pointed explicitly to Carey's responsibility and even hinted that there was a problem in the relations

between "top-level labor" and the Democratic party:

**The problems now faced by Ron Carey and the Teamster reform movement were born in the actions and political culture of top-level labor and their Democratic Party "friends." ... Carey, too, must share some of the responsibility. All that happened did so under his presidency. He hired the consultants. In choosing old style money-driven electioneering in 1996, he in effect, chose business union methods over the rank and file campaign advocated and conducted by the TDU.**

But Moody makes clear he'll stick up for Carey:

**It wasn't always like that and nothing was proving the old business unionism wrong more than the reforming, fighting rank and file Teamsters, above all the Teamsters for a Democratic Union, and the leader of the reform coalition Ron Carey.**

Obviously attempting to put a little distance between the TDU and Carey, Moody really demonstrates the pseudo-rev-

olutionary left's inability to break with Carey.

*Labor Notes'* Jane Slaughter took it a step further. In an op-ed piece in the *Boston Globe*, she repeated the argument about depending on the ranks, and concluded:

**The ultimate lack of faith in the ranks was Carey's decision to bring in slick consultants with no union background to run his 1996 re-election operation. . . . The downfall of Ron Carey provides a lesson for all union reformers . . . . That lesson is: don't count on leaders who don't count on you.**

Yet none of this represents any break with Solidarity's strategy of tailing reformist bureaucrats. And there certainly is no basic re-evaluation of how to deal with the real union boss, the bourgeois state. Rather, the criticism about reliance on professional hacks rather than the ranks has become a mantra for the wing of the left that wants to tie itself to the Carey types but won't accept the consequences of reformist politics. As the adjoining article points out, given his record, Carey could go nowhere else but to big-time money and the chiselers who deal in it, if he was to beat Hoffa.

#### NO RIGHT TO CRITICIZE?

Nevertheless these criticisms horrified another voice in Carey's left chorus. *Socialist Action* put out a Special Edition in December headlined, "In Defense of Teamsters' President Ron Carey." For SA, Carey is guiltless on all counts. Slaughter is attacked because "she left the impression that she believes that Carey is guilty as charged . . . and therefore is not entitled to support during this critical time."

Slaughter was indeed wrong to put an opinion piece in the bourgeois press that omits raising the defense of the unions from the state. But there is no question that she does not support Conboy's ruling. SA's real objection is to any criticism of Carey at all. They state:

**Isn't this the time to set aside the debate of what Carey should have done yesterday and focus on what Carey and all partisans of rank-and-file power and democracy ought to be doing today? Isn't the government's new level of intervention in the Teamster Union and its threats against other labor leaders the paramount issue at this time?**

In effect, *Socialist Action* calls for "partisans of rank-and-file power and democracy" to give up the right to criticize their leaders. SA also attacks Moody and even Paff and the TDU for criticizing Carey rather than defending him.

Indeed, the top TDU leadership seems to think that the Carey era is over, and so did not encourage Carey to hold out against the government assault. But judging from the tumultuous reception that the delegates gave Carey, they

were prepared to do more than just settle for a contingency game plan for the rerun election.

SA does recognize that "such a proposal would have needed the authoritative backing of key TDU leaders, or failing that, Carey himself." And there lies the rub. SA wants to avoid criticizing Carey, so they aim their fire at TDU leaders who failed to urge Carey to lead a fightback — while barely hinting at Carey's failure to lead.

The next *Socialist Action* (January 1998) reached the level of fantasy in its "Open Letter to Ron Carey":

**We are certain that an appeal by you to Teamster members and the millions of American working people whose hopes and expectations were raised to the sky by the strike victory over UPS would start a rolling mobilization in defense of the right of American workers to maintain a democratic union movement free from government control. We respectfully suggest that an excellent forum for mounting such an appeal would be an open hearing organized by the GEB [General Executive Board of the union] to consider the recommendations of the IRB. Knowing a little about you and your fidelity to your slogan — "the members come first" — we are confident that you will take a course of action such as the one sketched above.**

Knowing a little about Carey ourselves, we are confident that Carey could do nothing of the sort. When SA snidely labels its opponents as "former revolutionary socialists who have for the most part been gravitating toward the labor bureaucracy," it is accurately characterizing its own sycophancy as well.

Based on the evidence, we think it likely that Carey played games with the members' dues; to us that's a crime, and it certainly should be for rank and filists. However, it is the height of hypocrisy for the government, whose politicians are liars and thieves by profession, to bring such charges. They are a cover for the real attack, and we defend Carey from them. Yet it is also a cover for Solidarity and Socialist Action to debate Carey's guilt or innocence on this matter alone: his political crimes against the cause of the working class hardly began with this incident.

In the squabble within the TDU left, one wing mildly criticizes Carey but can't pose any strategy for fighting government intervention. The other wing won't criticize Carey at all, and therefore ends up proposing a strategy to fight government intervention that won't ever happen.

The working class will inevitably see the need to defend the unions against the state, regardless of the cowardice of the present bureaucracy and its left tails. But in this debate workers aren't offered that choice. ●

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# Propaganda and Agitation in Building the Revolutionary Party

by Matthew Richardson

The LRP is at present a small group of revolutionary workers organized mostly in New York and Chicago. By fighting alongside our fellow workers in their struggles, we seek to prove that the socialist revolution is the way to end the exploitation and oppression of life under capitalism. With a small number of supporters around the world, we work to advance the fight for socialist revolution by re-creating the authentic world party of socialist revolution, the Fourth International founded by Leon Trotsky.

With limited resources, we concentrate our efforts in a select few areas of activity where we are most likely to meet revolutionary-minded workers. We also spend a good deal of time extending our theoretical and political understanding of the class struggle. Especially in the pages of *Proletarian Revolution*, we have resurrected and developed the revolutionary method of work in the trade unions, the tenets of internationalism and interracialism, the Marxist analysis of Stalinism and of capitalism overall, and many other fundamental questions. (See "Twenty Years of the LRP," in *PR* 53.)

There is an inevitable conflict in this. We became Marxists because we want to fight the capitalist system: we would like to participate in or initiate struggles over every injustice. But we must also make sure we do all we can to recruit the most politically advanced workers and youth and train them as revolutionary leaders, because it is these revolutionaries who will be able to lead in the decisive struggles of the future. So we have to balance our desire to be involved in struggles with our priority of building the revolutionary party.

This article examines the Marxist approach to building the revolutionary party. It has been stimulated in particular by discussions with the comrades of the Workers International Vanguard League (WIVL) of South Africa. As reported in the last edition of *Proletarian Revolution*, the WIVL has a different approach to party building. During a recent stay in the U.S., the WIVL's National Secretary, Leon Caesar, said that he disagrees with our emphasis on work with the most politically advanced workers and thinks we should work more with the broader masses of workers.

We, in turn, are concerned that the WIVL may be trying to play too great a role among the masses at the expense of its central task of building the revolutionary party by recruiting and training the most advanced workers. We are convinced of the WIVL comrades' commitment to fighting for revolutionary politics, but we fear their perspective will undermine their revolutionary aims.

Our dispute with the WIVL is different from the issues that divide most of the self-proclaimed socialist groups in this country and around the world. They differ over little more than when and to what extent to water down their political beliefs in order to be more popular. But the whole of Marxism, including its approach to building the revolutionary party, is not based on such subjective moods and desires, but on the objective conditions of the class struggle. The LRP and WIVL are committed to telling the truth to the working class and openly fighting for the socialist revolution, no matter how unpopular that may be at times.

## WHAT KIND OF PARTY?

Marxism teaches that capitalism survives through the exploitation and oppression of the masses. It explains that the role of the working class (the proletariat) in production leads it toward making a revolution to overthrow capitalism and build a communist society of human freedom and equality.

But the founding Marxists' discovery of the laws of capitalism has proven comparatively easy compared to the proletariat's task of equipping itself with these ideas and making its revolution. Marx and Engels knew that the most important instrument for this was an organization of communist workers committed to raising the consciousness of their class on the basis of a clear revolutionary program. But they also hoped to build a party of the entire working class with a broader program, through which workers would gain political experience and in which the communists would work to convince the workers of the revolutionary perspective.

The experience of the big Social Democratic working-class parties of the Second International put to rest the idea of the working class developing revolutionary consciousness through broad parties open to the entire class. Those parties came to express the interests of the skilled, professional workers, a layer that grew tremendously along with imperialist exploitation of the colonies and of oppressed workers within the metropolises. These privileged workers — the labor aristocracy — have a stake in the capitalist system that the masses of workers do not. The reformist leaders' policy of compromise with capitalism represented a betrayal of the revolutionary interests of the masses in the interests of the temporary privileges of the most aristocratic workers. This was proven when most parties of the Second International supported their respective "fatherlands" in the First World War, sending the masses to slaughter one another.

The working class needed a party that would stand for its historic interests. This meant fighting in particular for the interests of the most oppressed and exploited, and combating reformists and others who represent middle-class interests. For this the party would have to be international and internationalist, embodying the interests and experience of the world's workers against the forces of nationalism.

## LENIN'S SOLUTION: THE VANGUARD PARTY

This need was addressed by Lenin. He saw that a party of the most politically conscious workers was needed. This *vanguard party* would have to be tightly disciplined to be able to respond to the twists and turns of the class struggle, to resist repression, and to politically combat those who sought to mislead the working class. Although the vanguard party would be politically distinct from the mass of workers, its members would participate side by side with their fellow workers in all struggles, seeking to raise their revolutionary consciousness. Lenin repeatedly stressed the importance of the vanguard workers in leading the masses:

**The backward worker from the lower or middle strata of the masses will not be able to assimilate the general idea of the economic struggle; it is an idea that can only be absorbed by a few educated workers whom the masses will**

follow, guided by their instincts and their direct immediate interests. ("Apropos of the Profession de Foi," *Collected Works*, Vol. 4, pp. 291-2.)

Of course, which workers are advanced and which are backward is not static. The experience of the class struggle can radicalize backward workers, and the work of the vanguard party can help the more advanced become theoretically trained Marxists. As Trotsky wrote:

**The masses are by no means identical: there are revolutionary masses, there are passive masses, there are reactionary masses. The very same masses are at different times inspired by different moods and objectives. It is just for this reason that a centralized organization of the vanguard is indispensable.** (*Their Morals and Ours*, p. 59)

The strict separation of revolutionary workers into their own vanguard party allows them to adopt very flexible tactics in participating in common struggles with other workers. As revolutionaries, we openly say to our fellow workers that we believe socialist revolution is the only solution to the masses' needs, even while we support and join in every struggle to better the masses' conditions, putting forward the best means to conduct the struggle. We do so because the more workers fight to change the present system, the more they will see that capitalism cannot be reformed. As well, through victories in the class struggle, the working class will recognize that it has the power to defeat the capitalist class and create a new society.

The working class will not come to this understanding automatically. Different groupings and layers of the working class embrace different ideas at different times, expressing the influence of different experiences. In particular, the labor aristocracy exerts a conservative influence on the more exploited and oppressed workers. This is reinforced by racial and national oppression, which encourages political conservatism among the workers of the privileged groups.

The class struggle will provide the necessary experience from which growing numbers of workers can draw Marxist conclusions. But this requires that the most politically advanced workers and youth join together in a vanguard party and fight to win their fellow workers to its revolutionary program. As Trotsky summed up:

[The] masses undergo their own experiences that permit them to choose and to progress along the revolutionary road, but on condition that they find a vanguard that, at every stage of the struggle, explains the situation to them, shows them the objectives to be obtained, the methods to use and the ultimate perspectives. (*Writings 1933-34*, p. 292.)

## PROPAGANDA AND AGITATION

Great historical experiences led to the understanding of the importance of the vanguard party, and Lenin and Trotsky summed up these lessons clearly. Nonetheless, tremendous confusion continues today regarding the question. This is not surprising: under the pressures of their small size and isolation from the masses, Marxist groups run the risk of adapting to their isolation and becoming inward-looking sects.

Another danger facing small revolutionary groups is the temptation of trying to attract masses of workers before they have won the most politically advanced layers of their class. The revolutionary socialist message can only appeal to masses of workers when they have already come to feel their social power through mass struggle, and have rejected capitalism. Even then, reformist socialist leaders — and centrists who

vacillate between their revolutionary rhetoric and really reformist policies — can win influence among the masses. This presses revolutionaries to pay more attention to the day-to-day struggles and issues that masses of workers are interested in, and pay less attention to the revolutionary lessons. This can lead revolutionaries to adapt to the backwardness of the masses, at the expense of building the revolutionary party of vanguard workers.

This problem was already apparent to Lenin and later to Trotsky. It demanded a very clear understanding of the different activities of revolutionaries in building the party and leading the revolution.

First, there is a difference between the overall *strategy* of world socialist revolution and the various *tactics* used to advance the daily struggles of workers toward that goal. Second, there are the different ways that revolutionaries address the vanguard workers and the more backward masses.

These two types of political communication have been carefully distinguished by Marxists as propaganda and agitation. Plekhanov, the founder of Marxism in Russia, developed this scientific understanding. Lenin quotes him as



Lenin elaborated questions of propaganda and agitation in order to build Bolshevik party.

his authority on the subject in his famous work on building the party, *What Is to Be Done?*:

**A propagandist presents many ideas to one or a few persons; an agitator presents only one or a few ideas, but he presents them to the mass of people.** (Plekhanov, quoted in Lenin, *Collected Works*, Vol. 5, p. 409.)

A propagandist communicates a complex and many-sided message to a limited number of workers, those who are interested in gaining a wide understanding of class-struggle ideas. An agitator communicates a few ideas to the masses, those who at the time are only open to the simpler message. For example, masses of workers will listen to revolutionaries agitate for a strike, but at this time far fewer will listen to propaganda about why capitalism is headed for a profound crisis and why socialism is the working-class solution.

Another example given by Lenin shows how propaganda and agitation complement one another:

**We thought (with Plekhanov, and with all the leaders of the international working-class movement) that the propagandist, dealing with, say, the question of unemployment, must explain the capitalistic nature of the crises, the cause of their inevitability in modern society, etc. In a word, he must present many "ideas," so many, indeed, that they**

will be understood as an integral whole by a (comparatively) few persons. The agitator, speaking on the same subject, will take as an illustration a fact that is most glaring and most widely known to his audience, say, the death of an unemployed worker's family from starvation, the growing impoverishment, etc., and utilizing this fact, known to all, will direct his efforts to presenting a *single idea* to the "masses," e.g., the senselessness of the contradiction between the increase of wealth and the increase of poverty; he will strive to rouse discontent and indignation among the masses against this crying injustice, leaving a complete explanation of this contradiction to the propagandist. (pp. 409-10.)

This understanding of propaganda and agitation is central to resolving the problems of building the small nucleus of revolutionaries into a vanguard party. It helps us decide which activities must be our priority, and how work among the masses and the vanguard workers can be combined.

### THE PROPAGANDA STAGE OF PARTY BUILDING

Small revolutionary groups must understand that rather than going to the backward masses, their priority is to reach the most politically advanced workers. This layer has to grasp the more complex ideas of Marxism, accept the need to build the revolutionary party and be trained as revolutionary leaders. These tasks define the propaganda stage of party building.

As Lenin wrote:

**As long as it was (and in as much as it still is) a question of winning the proletariat's vanguard over to the side of communism, priority still goes to propaganda work; even propaganda circles, with all their parochial limitations, are useful under these conditions.** ("Left-Wing Communism, An Infantile Disorder," *Collected Works*, Vol. 31.)

That propaganda work among vanguard workers lays a solid foundation for agitation among the masses was made clear by Trotsky. He defined propaganda as "the education of the cadres" [the trained leaders], and agitation as the "influencing of the masses through the cadres." (*Writings 1935-36*, p. 26.) Also:

**The stage of individual propaganda was inevitable. When the centrists accused us of sectarianism, we answered them: without a minimal Marxist cadre, principled action among the masses is impossible. But that is the only reason we form cadres.** (*Writings 1934-35*, p. 216.)

Either out of impatience or outright opportunism, most left groups reject this concentration on the vanguard workers in favor of finding shortcuts to the masses. Instead of making the revolutionary- or socialist-minded worker their priority, they look for broader numbers of "militant" workers to recruit and inevitably water down their politics in order to do so. A classic example of this approach is that of the ISO in the U.S. and the other groups of the International Socialism tendency around the world.

When he fought against the early Bernsteinist tendency in Russia to strengthen the party, Lenin saw precisely such a method behind the opportunists' politics. "There cannot be anything more dangerous and more criminal," said Lenin, "than the demagogic speculation on the underdevelopment of the workers." He condemned as "profoundly harmful" the Bernsteinists' "ignoring the interests and requirements of this advanced section of the workers, and the desire to descend to the level of understanding of the lower strata." ("Apropos ...," pp. 291, 292.) Elsewhere he specified:

The newspaper that wants to become the organ of the Russian Social Democrats must, therefore, be at the level of the advanced workers; not only must it not lower its level artificially, but, on the contrary, it must raise it constantly, it must follow up the tactical, political and theoretical problems of world Social-Democracy. Only then will the demands of the working class intelligentsia be met, and it itself will take the cause of the Russian workers, and consequently, of the Russian revolution, into its own hands. . . . The average worker will not understand some of the articles in a newspaper that aims to be the organ of the Party, he will not be able to get a full grasp of an intricate theoretical or practical problem. This does not at all mean that the newspaper must lower itself to the level of the mass of its readers. The newspaper, on the contrary, must raise their level and help promote advanced workers from the middle strata of the workers. ("A Retrograde Trend in Russian Social Democracy," *Collected Works*, Vol. 4, p. 281.)

But not all left groups reject the propaganda group approach in favor of opportunism. Some embrace it in words as an excuse for sectarian abstention from the struggles of workers in favor of passive theoretical study. Lenin made the crucial distinction between the propaganda stage of party building as a whole and that of "propaganda circles." A Marxist group with its first handful of members often (although not always) goes through a period as a study group, a "propaganda circle": a group with little or no involvement in workers' struggles that concentrates almost exclusively on studying and discussing Marxist theory. Such a group can easily degenerate into a "sect" because it is isolated and inward-looking. Under varying conditions, a propaganda circle might be an unavoidable, although dangerous, phase. However, the overall propaganda stage of party building is not the same as that of the more limited initial phase within it of the propaganda circle.

The propaganda stage does *not* mean not working among the masses. On the contrary, agitation is crucial to the success of propaganda. Ideas developed in the course of theoretical study must be confirmed by the experience of the class struggle. Moreover, vanguard workers will in general pay no attention to revolutionaries who cannot address their current struggles and prove in action that Marxism can make sense to broader masses of workers.

The vanguard workers are constantly being pressed to give leadership to their fellow workers. The key tasks of the revolutionary propagandist are to support the vanguard workers who lead their fellow workers effectively, show them the tactics to use when they are in doubt, and convince them of the need for a revolutionary party and Marxist theory to lead the struggles to the socialist revolution.

Crucial to the success of the propaganda stage of party building is the task of establishing close relations with the mass organizations of the working class, especially the unions. The revolutionary group must strategically place itself among the most politically advanced workers, as well as among those who will be at the center of future struggles. This is important because workers are correct to be skeptical of people from outside their ranks who voice opinions on the situation inside their factory or union. And they are unlikely to trust ideas or individuals whom they have not seen tested in the course of struggle.

Developing an "organic connection" with the working class — becoming intimately connected with the day-to-day



lives and struggles of broader numbers of workers — must take place in the propaganda stage, especially when fighting to overcome the infantile habits of an isolated propaganda circle. Often revolutionary groups are first formed among more privileged layers of the working class, the labor aristocracy and students. If the organization is to withstand the petty pressures of middle-class life, it must recruit workers and sink roots among the most oppressed.

In the propaganda stage of party building, agitation is subordinated to propaganda. The agitational work of a propaganda group must serve the central purpose of winning an audience among the vanguard workers for propaganda for the revolutionary party, and proving these ideas in action.

#### THE FOURTH INTERNATIONAL

As the Stalinists took over the Third International in the late 1920's, Trotsky led the struggle to build new groups of revolutionaries, first attempting to reform the Third International, then later building a new world revolutionary party, the Fourth International. Overseeing its development in the early 1930's, he set forth exactly this perspective of developing propaganda groups oriented toward the vanguard workers and their struggles:

Our strength at the given stage lies in ... a correct revolutionary prognosis. These qualities we must first of all present to the proletarian vanguard. We act in the first place as *propagandists*. We are too weak to attempt to give answers to all questions, to intervene in all specific conflicts, to formulate everywhere and in all places the slogans and the replies of the Left Opposition. The chase after such universality, with our weakness and the inexperience of many comrades, will often lead to too-hasty conclusions, to imprudent slogans, to wrong solutions. By false steps in particulars we will be the ones to compromise ourselves by preventing the workers from appreciating the *fundamental* qualities of the Left Opposition.

I do not want in any way to say by this that we should stand aside from the real struggle of the working class. Nothing of the sort. The advanced workers can test the advantages of the Left Opposition only by living experiences, but one must learn to select the most vital, the most burning, and the most principled questions and on these questions engage in combat without dispersing oneself in trifles and details. It is in this, it appears to me, that the fundamental role of the Left Opposition lies. ("Some Ideas on the Period and the Tasks of the Left Opposition," *Writings of Leon Trotsky (1930-31)*, p. 297.)

Trotsky repeatedly explained that his insistence on not leaping over the propaganda stage did not mean abstaining from mass struggles. One example is found in a letter to the Communist League of Struggle group in the U.S. in 1932:

You especially emphasize the necessity of active participation by the Left Opposition in the mass movement and the struggles of the workers in general. Although the Left Opposition in a majority of countries is today a propagandist organization, it propagandizes not in a sectarian form but in a Marxist manner, that is, on the basis of participation in all aspects of the life of the proletariat. ... To a great extent the question reduces itself to the real possibilities, to which also pertain the natural capacity, experience and initiative of the party. (*Writings 1932*, p.106.)

Further, arguing against a centrist group called the

Brandlerites, who descended from the Right Opposition in the Third International and criticized the Trotskyists for not making mass struggle their priority, Trotsky wrote:

First of all we are creating the elements and preconditions for a Marxist crystallization within the official party. We are creating cadres. Whether we are a sect or not will be determined not by the quantity of the elements who are at present grouped around our banner, nor even by the quali-



France 1997. As mass workers motion revives, revolutionary propaganda needed to build party.

ty of these elements (for we are very far from the point where all are of the highest quality), but rather by the totality of the ideas, the program, the tactics, and organization our particular group can bring to the movement. This is why at the present stage the struggle of the Left Opposition is above all a struggle for program and for strategic principles. To say that we must speak to the needs of the masses, and to counterpose this truism to the Left Opposition, means to fall to a fatal level of vulgarity; for our task is precisely to know with what ideas to address ourselves to the masses, with what perspective to develop their demands, including their partial demands. ... At a time when we are just beginning to educate and reeducate the cadres, the Brandlerites counterpose mass work to cadre education. That is why they will have neither one nor the other. Because they have no principled positions on basic questions and therefore are unable to really educate and temper their cadres, they spend their time carrying out a caricature of mass work. ("Principled and Practical Questions," *Writings [1930-31]*, pp. 252-3.)

Many of today's "Trotskyist" organizations call themselves propaganda groups: they have little choice, since Trotsky was so clear on the question. But their practice — disdain for theoretical discussion and debate, reluctance to speak of socialism or revolution in front of the workers, adaptation to the labor bureaucracy and thereby to the privileged aristocracy — suggests that their real historical ancestry is to be found in groups like the Brandlerites!

#### CANNON ON BUILDING THE SWP

An excellent example of Trotsky's approach to building the parties of the Fourth International is to be found in *The History of American Trotskyism*, a somewhat idealized account of the building of the Socialist Workers Party (SWP) written by its leader, James Cannon. The book's weaknesses come

primarily where it avoids a critical examination of the mistakes made by the Trotskyists in the U.S. But its strength is that it summarizes the direction Trotsky gave to his followers, including very clear explanations of the propaganda stage of party building.

Cannon begins his description of the stages of building the Trotskyist group by explaining the Marxist understanding of propaganda and agitation in precisely the terms we quoted above from Plekhanov, Lenin and Trotsky. He then describes how the Trotskyists decided that they could not go directly to the masses, but had to first build a propaganda group directed principally toward the vanguard workers. At the time, the most politically advanced vanguard workers whom Trotskyists could hope to recruit were in the Communist Party. Cannon notes that the Trotskyists' newspaper

... was aimed directly at the members of the Communist Party. We didn't try to convert the whole world. We took our message first to those whom we considered the vanguard, those most likely to be interested in our ideas. We knew that we had to recruit at least the first detachments of the movement from their ranks. ... We had to either turn our face towards the Communist Party, or away from the Communist Party in the direction of the undeveloped, unorganized and uneducated masses. ...

The problem was to understand the actual situation, the stage of development at the moment. Of course you have to find a road to the masses in order to create a party that can lead a revolution. But the road to the masses leads through the vanguard and not over its head. That was not understood by some people. They thought they could bypass the Communist workers, jump right in the midst of the mass movement and find there the best candidates for the most advanced, the most theoretically developed group in the world, that is, the Left Opposition which was the vanguard of the vanguard. This conception was erroneous, the product of impatience and the failure to think things out. Instead of that, we set as our main task *propaganda, not agitation.*

We said: Our first task is to make the principles of the Left Opposition known to the vanguard. Let us not delude ourselves with the idea we can go to the great unschooled mass now. We must first get what is obtainable from this vanguard group, consisting of some tens of thousands of Communist Party members and sympathizers, and crystallize out of them a sufficient cadre ... (pp. 65-66, 86-87.)

The Trotskyists tried at this time to find entry points into the mass movement, with the purpose of fighting alongside CP members to win their respect and attention. But the Stalinists often repelled them. Limited to a small propaganda circle fundamentally unable to participate in any mass work, the Trotskyists' task, according to Cannon, "was to print the word, to carry on propaganda in the narrowest and most concentrated sense, that is, the publication and distribution of theoretical literature." (pp. 95-6.)

After a long period of little class struggle, a wave of strikes and protests began around 1933. Openings to make contact with the workers appeared, first among the unemployed, then in the unions. The pressure of the rising workers' struggle also led to the creation of new, leftward-moving centrist groups and left wings in the old parties, like the reformist Socialist Party.

These events coincided with the Trotskyists' decision to abandon attempts to reform the Third International, and to build independent revolutionary parties and a Fourth Inter-

national. At this time Trotsky raised the slogan "Turn from a propaganda circle to mass work," and urged his comrades to seek a new orientation to fresh groups of vanguard workers.

The Trotskyists in the U.S. took advantage of the new opportunities. By 1934 they were leading the hotel workers' union in New York and led a strike of all hotel workers in the city. Later in the year, they led the most important strike at the time, still a landmark in U.S. labor history: the Minneapolis Teamster strike. They fused their party with a left-moving centrist group which had just led another historic strike in Toledo, forming the Workers Party. Then the Workers Party entered the much larger Socialist Party with the aim of influencing radicalizing worker members.

After all this, by the late 1930's, the Trotskyists were over a thousand strong. Trotsky at this time still considered the American organization a propaganda group (see *In Defense of Marxism*, p. 161), proving that the determinant of a propaganda group is not its size but whether it still faces the task of winning the vanguard workers to building the party.

## TWENTY YEARS OF BUILDING THE LRP

The LRP, after some twenty years of hard work and struggle, is still in the propaganda stage of party building. Our most important task remains recruiting and training the vanguard workers.

During this time we have laid solid theoretical foundations for our future work. We formed at a time when, to our knowledge, no genuinely revolutionary Marxist groups existed, and what was presented as Marxist theory was in fact cynical middle-class lip-service to Marxism. We lay claim to no less than having resurrected Marxist theory in the pages of this magazine and in our book, *The Life and Death of Stalinism*. Our theory has been confirmed by its ability to foresee, explain and guide us through the major events of our times. Its main achievements have been our analyses of capitalism's epoch of decay, the nature of Stalinism and its collapse, the roots and function of racial oppression in capitalism, and the role of the revolutionary party in raising the working class's socialist consciousness.

We have accumulated a rich experience of the class struggle, particularly through our comrades in the unions, who have held elected positions as shop stewards, delegates and contract negotiating team members, and who have succeeded in upholding our revolutionary socialist politics. And through comrades around the world we have played an important role in, and learned a great deal from, major class struggles, particularly in the case of our Australian comrades of the then-Workers Revolution Group.

However, we have largely failed to recruit in the United States. Inexperience and mistakes may have caused us to miss opportunities here and there. But fundamentally, it has been the defeats of the U.S. and international working class, and the accompanying downturn in class struggle, that have limited our organization to its present small size and isolation. Large numbers of workers can only be radicalized and convinced of the ideas of revolutionaries on the basis of experience of mass struggle and victories.

The coming mass working class struggles will open far greater opportunities to build the LRP as the nucleus of the revolutionary party. We will only be able to take advantage of those opportunities if we do everything in our power today to recruit and to position ourselves to best take advantage of those struggles when they come.

## PERSPECTIVES FOR BUILDING THE LRP

The LRP is well aware of its problems and has adopted carefully worked-out *Perspectives and Tasks* documents to overcome them. We outline here our main areas of work.

### 1. Theoretical and International Work

Theoretical development continues to be crucial to maintain a correct orientation in world politics — as is international work to find or develop other genuinely revolutionary communist groups. In addition to continuing our collaboration with comrades in Australia and Germany, we have committed significant resources to developing our relationship with the WIVL in South Africa.

This work as well as our other tasks requires putting out a politically sophisticated magazine that can guide current and developing cadre on how to do revolutionary work in the class struggle. In particular it has to combat the treacherous misleadership of the various phony revolutionary groupings throughout the world.

### 2. Working-Class Youth

Our most important task as a propaganda group is to recruit and train new members in the U.S. The first step in developing a guide to this work is to identify the vanguard layer of workers we must concentrate our efforts on. At present in the U.S. one can barely speak of a vanguard layer. At best there are revolutionary-minded individuals, most of whom are young workers and are mostly Black and Latino. Generally these radical young workers want to fight oppression and exploitation, and know that there needs to be a revolution. But they are more drawn to populist ideas about poor versus rich than the working-class solution of revolutionary socialism.

Because there is no live movement of working-class youth, we must both participate in the struggles that sporadically break out and also seek an arena for ongoing work. Protests against police brutality are one focus. We participate in these struggles whenever they occur and feature propaganda articles and pamphlets on this question. Working-class college campuses are the main arena for our ongoing work among these young workers. There we hold forums, sell our magazine, hold meetings with interested youth, issue leaflets and bulletins on topical questions and participate in and initiate struggles whenever we can.

### 3. Unions

Our other key area of work is in the unions. While we currently meet fewer revolutionary-minded workers in the unions than on the working-class campuses, the unions remain a focal point of class struggle and will be a key area for the rise of a new layer of vanguard workers.

Our work concentrates on those unions where we have supporters (transit and hospital in particular), supplemented by participation in other union struggles when we can (like the UPS strike). Our comrades run for union office and agitate, with the main aim of winning an audience for their propaganda. In these unions we produce bulletins when we can, participate in union meetings and sell our magazine.

One place where our priorities of work with Black and Latino workers, youth, and union workers combine is our work among workfare workers. We participate in whatever struggles and meetings of these workers take place, and will look to initiate struggles and organizing among these workers in the coming year.

We seek to recruit the limited number of workers we can under present conditions. And we are doing our best to position ourselves in the strategically most important sections of the working class so we can take advantage of the mass struggles of the future.

We also need to break out of our isolation in just two cities (New York and Chicago). We look for opportunities to distribute our literature, participate in struggles and hold meetings in other cities and welcome invitations to do so. We consider it a particular priority to form a group in Los Angeles because of that city's importance to the Black and Latino workers' struggles and the overall importance of L.A.

### 4. Proletarian Revolution and the Need for a Newspaper

At present our only regular publication is *Proletarian Revolution* magazine. Early in our history, our main task was the resurrection of Marxist theory, which had been debased and distorted by social democrats, Stalinists and centrists. Today it publishes a combination of theoretical articles, coverage of international events in the class struggle and articles on issues of more immediate interest to U.S. readers. It is the best way we have at the moment to provide answers to the questions the most advanced workers are asking. But its lack of frequency and hybrid character permit neither the in-depth theoretical work we need to do nor propaganda on many issues of interest to a broader number of workers.

We supplement our magazine with pamphlets that provide more thorough theoretical discussions, like *Marxism, Interracialism and the Black Struggle*. We also produce propaganda leaflets and bulletins for workers involved in particular struggles, in the unions and on campuses. Such leaflets aim to show advanced workers how to lead their fellow workers in struggles around the questions of the day, and link these issues to the need for socialism and the revolutionary party.

We know that *Proletarian Revolution* has to appear more often — and that the publication we really need to supplement our magazine and replace most leaflets and bulletins is a regular newspaper. But we do not yet have the resources for this.

The LRP will continue to make every effort to build our organization, spread its influence and aid our fellow workers' struggles. But we must face the truth that until the mass struggles erupt, we will not be able to fundamentally change the small, isolated character of our organization.

Guided by our propaganda perspective, we will avoid the dangers of sectarian adaptation to our isolation, as well as opportunist attempts to go to the masses without working to recruit the most politically advanced workers. We will position ourselves to take maximum advantage of the first outbreaks of the coming struggles. Because of the importance of building the revolutionary leadership for those struggles, we encourage every revolutionary-minded worker and youth to contact us and discuss our ideas. ●

### South African Workers' Library Fund

Help supply Marxist books to workers in South Africa. Send books or \$\$ to: Socialist Voice, P.O. Box 3573, New York, NY 10008.

# Chicago

*continued from page 1*

**pummeled and kicked. Some punk gets cracked for resisting arrest, and everybody makes him out to be a hero. (Chicago Sun-Times, Oct. 11.)**

That is the world as the cops see it. A twisted, racist fantasy where cops are good, blue-collar guys, victimized by a conspiracy between poor Black youth and an establishment that caters to them hand and foot! Mayor Daley and the city government can't talk that way publicly, but their loyalty to their mercenary thugs shows through: even after they fired Mearday's assaulters, they are still prosecuting Mearday on the obviously bogus charges filed by the cops who beat him.

## BEHIND DALEY'S MANEUVERS

The first political casualty of the furor over cop brutality was Superintendent Rodriguez. His job was to balance the racist attitudes of the street cops with the public image of pols like Mayor Daley, but he proved unable to do either task. The cops hate him for not openly taking their side on every dispute and gave him a public no-confidence vote. Most Blacks correctly weren't buying his and Daley's "answers" either. No longer useful to the ruling class, Rodriguez resigned in November, with a minor personal scandal conveniently used as an excuse. His replacement, Hillard, was praised by Nolan as "a cop's cop."

Daley is maneuvering to weather the political storm. On the one hand he can make tiny gestures to the Black community, like supporting the suspensions and chastising cops with empty words like "Police brutality has to stop." On the other hand, he has made it clear that he defends the cops. Not only has he not put a stop to the prosecution of Mearday; he publicly defended the right of cops to jam court hearings by the hundreds, all armed and many in uniform, in a clear attempt to intimidate Mearday and his supporters. Like all bourgeois politicians, Daley understands that the cops are the front-line troops needed to beat down the struggles of the exploited and oppressed — even if he has to sometimes disassociate himself from their "excesses."

While Daley's maneuvers have left both the Black community and the cops dissatisfied, he faces no serious opposition within the bourgeoisie. Only a small fraction of Black politicians have even dared to show opposition to Daley by attending rallies for Mearday. Those who have haven't tried to mobilize even a fraction of the people fed up with cops and poverty. On the other side, while the cops grumble about the mayor's attempts to "reform" the department, they take out their anger on Rodriguez but not on Daley himself.

Daley is dealing from a position of political strength. Chicago is a one-party town where the bourgeoisie is firmly on the side of Daley and his Democratic machine, so there is no fear of a Republican challenge from the right. And the bourgeois political forces to his left have been in a state of disarray since the death over ten years ago of Harold Washington, Chicago's first Black mayor. The bourgeois reformism that Washington represented, even when he and his coalition were at their healthiest, still betrayed the interests of Blacks and the whole working class. Daley & Co. took control of Chicago politics when Washington's supporters, especially the Black and Latino politicians pitted against each other by the

system, fell into squabbling and in-fighting. By now, the Daley machine has co-opted many of them completely.

## PRO-CAPITALIST MISLEADERS

The pols who haven't joined Daley's camp remain ineffectual. When State Senator Ricky Hendon called for legislation for a new police review board, he chose to push for it in the Illinois state legislature instead of in Chicago's city council. That the "anti-Daley reformers" have to sidestep Chicago, which should be their natural base of strength, speaks volumes about their weakness.

To those who cannot imagine any alternative to capitalist politics, Daley appears as an invincible force. Mayoral elections in Chicago have become little more than a formality. Pragmatic pols feel they have to work with the mayor, not against him. They think twice before saying or doing anything that might even be seen as anti-Daley, like appearing at a rally for Mearday. Especially notable is the silence of the high-profile Black bourgeois politicians, Jesse Jackson and Louis Farrakhan. Chicago is a base and home for both of them, but they want nothing to do with the Mearday case.

Daley is also strengthened by the dormant political state of Chicago's labor unions and the treacherous pro-capitalist leadership of the bureaucrats who run them. Most are pro-Daley, but even anti-Daley "left" bureaucrats like Gerald Zero of Teamster Local 705 show no inclination to lift a finger in support of protests against the cops. Only one union local, SEIU 73, even showed up at an important march for Mearday on October 11. This despite the fact that unions in Chicago still represent a large number of workers, Black, Latino and white, who would respond to a serious call for mobilization.

The fight against police atrocities has been derailed, not primarily by Daley's maneuvers but by the coalition of Black community misleaders, especially Democratic Party politicians and preachers, who stepped in early and co-opted the struggle. They have largely succeeded so far in deflecting mass anger into the dead-end course of legalism.

The Black bourgeois leaders have put together a reform group, the Chicago Committee Against Police Brutality. Dominated by Democratic politicians, religious figures and middle-class "community leaders," the coalition leadership is united in its desire to squelch any voice in the ranks that might raise the need for a strategy of mass action.

## THE WHOLE BARREL'S ROTTEN!

While Daley admits there's police brutality going on, he says the problem is the "few bad apples" on the force. The "reformers" who lead marches for Mearday and say they're against Daley — Black Democratic Party politicians like Congressman Danny Davis and Aldermen Ed Smith, Percy Giles and Michael Chandler — sing the same song: "Get rid of the bad cops, but most on the force are good cops."

Yeah, right. When Jeremiah Mearday's attackers were fired, *all the cops* in the police "union" hit Supt. Rodriguez with a no-confidence vote. At Mearday's first hearing on the bogus charges, 75 to 100 off-duty cops showed up to support the fired "bad apples." No "good cops" in sight.

Two major demonstrations clearly show to what great lengths the reformers will go to prevent the anger of Black workers and youth from being expressed. The October march drew a large contingent of several dozen politicians, ministers and the like — while the total mobilized from the Black community was less than a hundred. It was clear that the

coalition leadership had tried to limit its efforts to conservative elements close to it in outlook, to keep the march temperate.

In December the coalition mobilized a counter-demonstration against the cops who were showing up *en masse* at Mearday's court hearings. Rather than raising slogans that could mobilize working-class people who know what cops stand for, the leadership pushed its line with pathetic slogans like "Protect and Serve Us, Don't Beat Us."

Many Black people weren't buying it. At the October 11 demo on the West Side, the same leaders had tried all day to sell the "only a few bad apples" line. LRP supporters took them on by loudly chanting "The Whole Barrel's Rotten!" — and we struck a chord. Almost the entire demonstration, including most of the moderate protestors, took up our chant, and it grew louder and louder.

After a while, the cops at the head of the march halted and turned to stare disapprovingly at the crowd, like we were a bunch of children who were misbehaving at an important social function. The entire demonstration halted. The liberal reformers glared and sulked, waiting for the chant to die down in the face of their evident disapproval, so that they could rebuke us and remind us that there are plenty of good cops out there. The chant grew louder: "The Whole Barrel's Rotten!" Rather than lose any more face, the cops wisely decided to cut their losses and move on.

#### YOU CAN'T REFORM THE COPS

Reformers everywhere love to talk about civilian review boards. Hendon's bill in the legislature for a civilian review board got the uncritical support of the pro-Democratic Party "Communist Party USA." The CP's paper, the *People's Weekly World*, observed, "Chicago has a police board which can take action only on information provided to it by the police themselves. It also has an Office of Professional Standards [OPS] which rarely rules in favor of the civilian."

Absolutely: OPS received 12,000 complaints against cops from 1993 to 1996. Only 8 percent were sustained. And out of that measly number, OPS only recommended that 1 percent of the 8 percent be fired — less than one in a thousand! But why should Hendon's proposed board be fundamentally different? The reality is that a civilian review board for the police will only be tolerated by the state as long as it promotes illusions in the cops, the facts be damned.

*People's Weekly World* itself exposes the absurdity of the idea when it remarks, "A similar one was set up for the Chicago Housing Authority police at Hendon's initiative." Of course this board hasn't changed the treatment of public housing residents by the CHA police. In January, a blurb in the *Sun-Times* noted the first result of this civilian board's work: a hotline has been set up for residents to call to report complaints. Wow.

"Community policing" is another sham. The last thing we need is 24-hour surveillance from hostile cops living right on our block. And many people know that Black and Latino cops from the neighborhood, in their effort to conform to

police standards, can be just as vicious as white cops from the suburbs. Nevertheless, Rodriguez and Daley pushed their "Community Alternative Policing Strategy" for years in an attempt to improve the image of the cops with public relations gimmicks. But even this is too much for the out-and-out racist police "union."

The latest reform effort is an ordinance proposed by four aldermen, Smith, Giles, Sam Burrell and Walter Burnett. It would impose mandatory fines, possible jail time and suspensions for cops guilty of brutality. But the reformers left loopholes to prove to the cops that they too were concerned about police morale. So Daley turned the tables on them: while their ordinance would let fired cops re-apply for their jobs, Daley said "if a person is found guilty of police brutality they shouldn't be on the police force ever again." Of course, Daley will make sure that very few cops are ever found guilty of brutality.

The anti-Daley reformers, supporters of capitalism to the core, defend the sanctity of the police department as much as Daley or any other bourgeois politician. They merely want



Chicago protest. Police brutality is constant feature of city's life.

it to stop its racist violence, as if that were possible. Given the needs of the social system, that's like demanding that a school of sharks adhere to a strict vegetarian diet.

#### STOP POLICE TERROR!

There is a critical connection between cop racism and the system's need to enforce exploitation of the working class as a whole. As the capitalist offensive intensifies, the ruling class increasingly relies on racism and anti-immigrant chauvinism to keep workers divided. Clinton and the Republican Congress have joined forces to deepen the attacks on social services that were accelerated under Reagan.

The capitalists use their cops not only to keep down the oppressed by force, but to try to convince the working class as a whole that the poor and oppressed are a threat to their jobs and their lives. Black and Latino workers have borne the brunt of not only police brutality but a whole range of capitalist attacks. This is no accident. Driving down the wages and standard of living of the most oppressed workers lays the basis for pressing downward on all workers.

In the face of this ruling-class strategy, revolutionaries

point to the necessity for united working-class action to fight every outrage and injustice under capitalism. This means fighting racism and chauvinism of every sort within the trade union movement and the working class — not through moral preachings but by proving to more aristocratic white workers that their real interests lie in fighting racism, because their fate too is dependent on a class-wide defense.

Therefore, revolutionaries take the question into the unions as well as community arenas, in order to convince our fellow workers that police brutality is of concern not only to Blacks and Latinos but to the whole working class. Our class cannot advance its struggle unless it confronts the repressive power of the capitalist state. For example, an important element in the LRP intervention in the Detroit newspaper struggle was to argue for making the connection between police violence against the mainly white strikers and the continual police brutality against Blacks in Detroit. (See *PR* 51.) In Chicago, revolutionary workers should fight in the unions for the principle that every cop atrocity must be met with a one-day general strike that shuts down the city and makes the ruling class pay for its thugs' criminal acts.

The one-day general strike tactic is part of an overall approach. The LRP has been advancing the need for a full-scale general strike for years. Based on the power and organization of workers in industry, a general strike would show the power of a united working class. A general strike of all workers — Black, Latino and white, employed and unemployed — could not only halt the current attacks, but would show who really makes society run. It would mean a fight against the current pro-capitalist labor bureaucracy and other misleaderships and be a gigantic boost to building the revolutionary party of the working class. It would point the way to the only real permanent defense of the working class — workers' socialist revolution.

In raising the perspective of a general strike, we point to the need for the struggle against police violence to be linked to a general working-class upsurge against capitalism. But this does not mean that Black and Latino communities must wait for a broader rise in the class struggle to defend themselves. Revolutionaries understand the necessity of intermediate tac-

tics like building self-defense guards to fend off racist attacks. This is no permanent solution, but it would be an important step in developing working-class awareness of the need for a class-wide defense against the cops and the system.

The working class also needs workers' defense guards at the point of production. And, when the next class upsurge develops, when strikes and mass actions become the rule and not the exception, such defense guards will have to unite as a workers' militia. (For a full discussion, see "Armed Self-Defense and the Revolutionary Program," in *PR* 47.)

#### **WORKERS' REVOLUTION IS THE ONLY SOLUTION**

There are no lasting solutions to the problems of racism and police brutality under capitalism. Capitalism by its very nature is a system based on force and violence, by the domination of a relative handful over the vast majority of workers.

Those who claim that real progress is being made, that things will get better under capitalism, are setting up the Black and Latino masses, and indeed all working people, for serious defeats. In reality, as capitalism heads toward deeper convulsions, the stage is being set for harsher atrocities. We can expect not only a rise in racist violence in the U.S. but also a new drive toward war against the oppressed masses internationally.

The only future for humanity lies in the revolutionary struggle of the working class to seize power through socialist revolution. A revolutionary workers' state would reorganize society in the interests of all workers and oppressed peoples. It can open up a world of abundance, creating the material basis for a truly humane society based on real equality and respect for the rights of all.

Our foremost task today is to build the revolutionary party. This party will be both internationalist and interracialist and will represent the most advanced, politically conscious workers in every country.

**Stop Police Terror! Stop Racist and Anti-Immigrant Attacks!**

**General Strike Against the Capitalist Attacks!**

**Mass Armed Working-Class Defense!**

**Build the Revolutionary Party of the Working Class!**

**Workers' Socialist Revolution is the Only Solution!**

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## Asian Crisis Jolts World Capitalism

by Arthur Rymer

For months the world economy has been rocked by shock waves from the financial crisis in Asia. Despite plentiful New Year's predictions by pundits and politicians that the brilliant "New Economy" of globalization and computerization is still going strong, industrialists, bankers and bureaucrats have been making worried pronouncements about the fragility of several economies. They have also acted to ensure that countries like Indonesia and South Korea change their economic ways and obey imperialist interests more closely.

Stock markets and currency exchanges were in turmoil for much of 1997, culminating in domino-like crashes across the world in October. The panic started in Thailand in the summer and spread to Indonesia, Malaysia, the Philippines, Hong Kong and South Korea. It reached Wall Street in October, when the New York Stock Exchange suffered its largest-ever one-day fall.

As convulsions continued, South Korea's "miracle economy," the world's 11th largest, teetered on the brink of



Seoul 1989: Hyundai workers confront police. S. Korean workers have militant history but need revolutionary party in face of crisis.

financial collapse and went begging for international support. Japan, the world's second economic power and its leading source of finance, has been in decline this whole decade (its banks have lost over a trillion dollars in assets since 1990) and is increasingly shaky. Feeling relatively unhurt, the U.S. bourgeoisie is trying to seize the opportunity to re-establish its long-lost economic hegemony over both its imperialist rivals and the upstart Asian "tigers."

The dominant bourgeois view blames the crisis on out-of-control Asian bankers and bureaucrats. Wall Street financiers and U.S. government officials support the program of the International Monetary Fund (IMF): force countries to loosen controls on their banks, open their economies to foreign ownership and end subsidies to banks and industries favored by nationalist governments. All this is intended to de-claw the tigers: to make them pay their debts to the imperialist bankers, let their industries be picked off by Western companies — and above all impose a terrifying austerity on the masses of their population.

### DEPTH OF THE CRISIS

The effects on the masses have been devastating. Social gains are being slashed, hundreds of thousands — possibly millions — of jobs have been lost, with tens of thousands of migrant workers left stranded. The workers have not been passive: strikes and protests have swept across Indonesia, and South Korean unionists have called for a general strike. Major class battles are on the agenda.

### Party Time?

The world as we knew it has changed forever, and the American Century looks to conclude with a huge party, a cancan line of irrepressible bankers and impossibly rich computer nerds dancing on the grave of the business cycle, while politicians of all kinds sing the praises of a new economy that might let them be re-elected forever and ever, so long as people keep voting their pocketbook. (*Time*, December 29.)

The global banking system depends on major banks around the world providing each other with billions of dollars in short-term loans, extended with confidence of quick repayment. A major bank failure in Japan, if mishandled, could disrupt that flow of payments and cause the system to seize up — the financial equivalent of a stroke.

No one is predicting that disaster, of course. But — from Federal Reserve Chairman Alan Greenspan on down in the U.S. — it stirs deep concern. Jeffrey Shafer, a former Clinton Treasury official, says that if he were still in his old job, "I would be staying up at night worrying about a major meltdown of banks in Asia, especially in Japan." (*Wall Street Journal*, December 29.)

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